
basic information report

Spain

institutions, procedures
and measures

1988

Commission of the European Communities

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On the basis of an agreement of the directors general for employment, the Commission of the European Communities has created a Mutual Information System on Employment Policies (MISEP).

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States and a centralised secretariat under the overall responsibility of the Commission.

It was set up by the Commission in response to the desire expressed by the Member States' delegations in the Council to be mutually informed on developments in national employment policy measures and structures. The objective of the system is defined as "to gather, synthesise, translate and disseminate relevant information in the Member States, serving each of the responsible national ministries and agencies in their daily decision-making", and aiding the Commission in its co-ordinating role at Community level.

The "Basic Information Reports", as they are called by the correspondents, describe the structure and content of employment policy in each Member State. All reports follow the same structure and contain the same basic information which is essential to an understanding of the way employment policy is conceived and operated.

The material in the Basic Information Reports has been provided by the national correspondents and is correct as at 1 January 1988. It is intended as a guide and an explanation of national policy measures in force at that date and is not a substitute for the corresponding legal texts. It is designed to describe the policies and practices in Member States without value judgements either on the part of the Commission or the national correspondents.

While these reports will be updated periodically, further information and regular updating of measures are published in "inforMISEP", and reproduced in "Social Europe".

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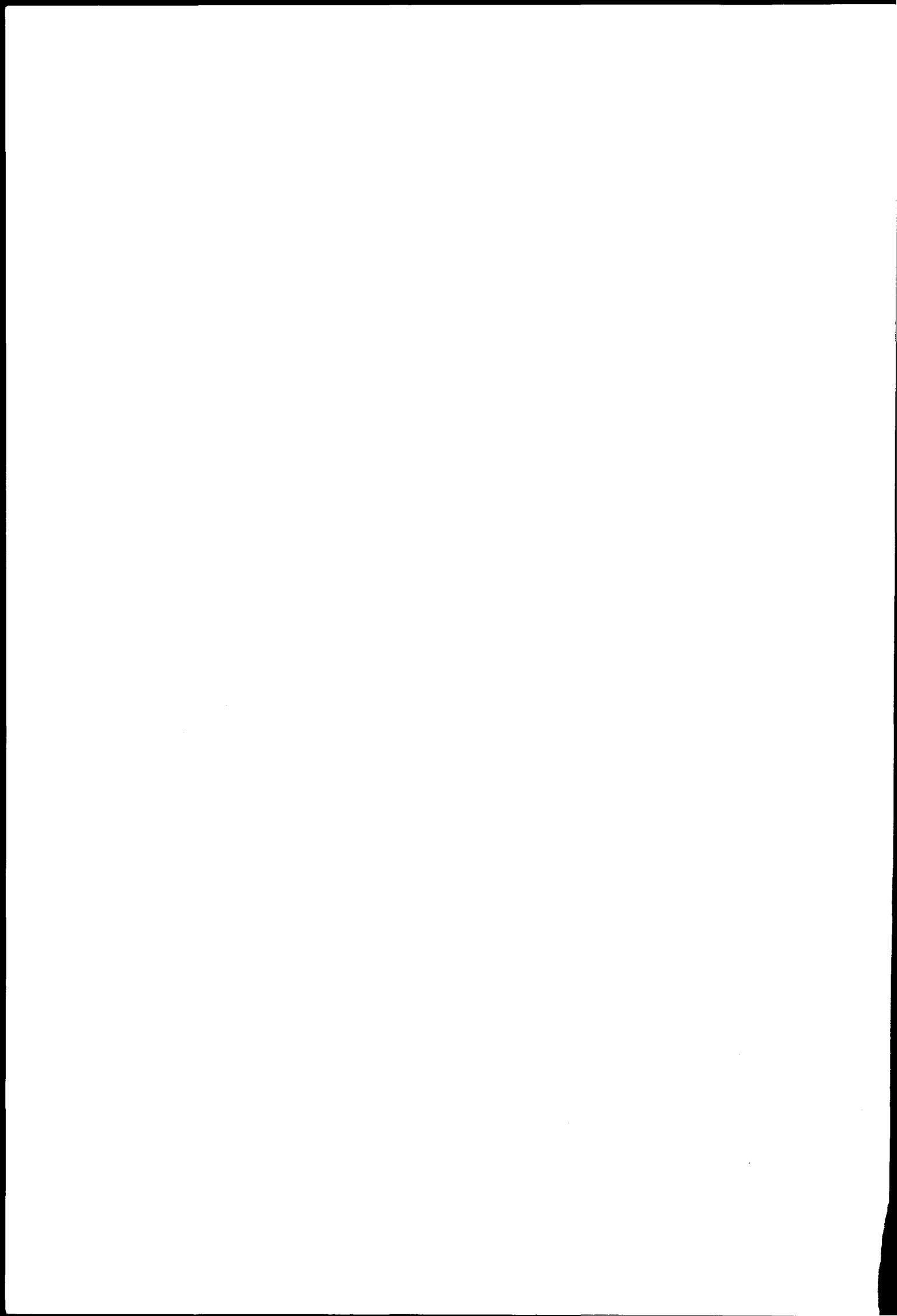
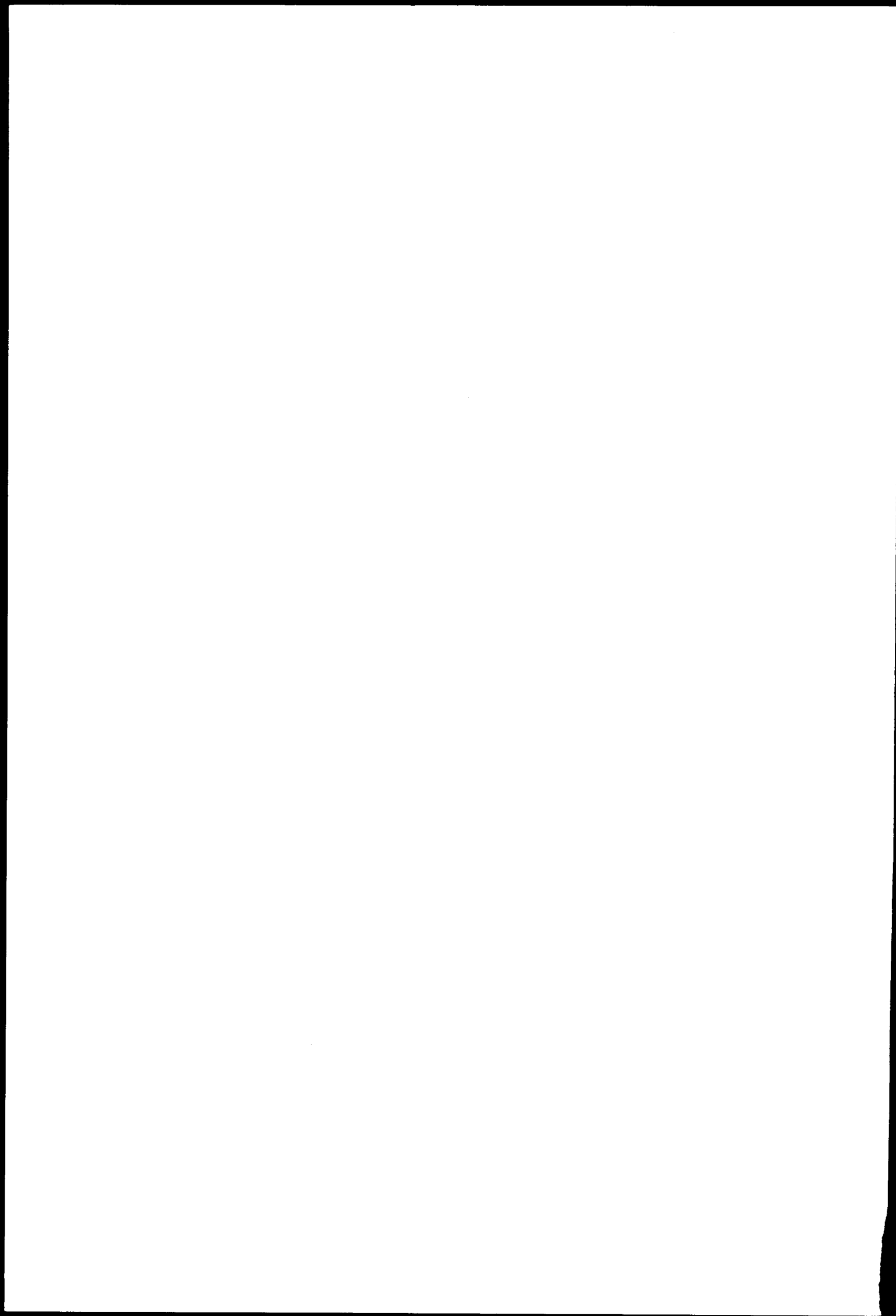


TABLE OF CONTENTS

		<u>Page</u>
Chapter I	: INSTITUTIONS	1
	Ministry of Labour and Social Security - <i>MTSS</i>	1
	The National Employment Institute - <i>INEM</i>	6
Chapter II	: LEGAL FRAMEWORK AND PROCEDURES	9
	Legal instruments and summary of statutes	9
	Labour market institutions and procedures	11
	Unemployment benefits	14
	Matching labour supply and demand	14
Chapter III	: MEASURES	17
	Overview	17
	Principles of employment policy	20
	Measures for maintaining employment	22
	Aids to persons without employment	28
	Training, retraining and occupational mobility	33
	Job creation measures	42
	Measures for special categories of people	60
	Measures on working time	64
	Placement measures	68
Chapter IV	: INFORMATION AND RESEARCH	71
Annex	: LIST OF ABBREVIATIONS	74

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Chapter I: INSTITUTIONS

In Spain, questions related to work and labour, social security and employment policy fall under the *Ministerio de Trabajo y Seguridad Social* (MTSS), the ministry of labour and social security. This is the highest organ of the central administration of the State which drafts and develops the general principles of action to be carried through within the framework of the government's economic and social policy. The organ entrusted with the administration of employment policy is the *Instituto Nacional de Empleo* (INEM), the national employment institute. INEM is an autonomous body connected to MTSS.

1. *Ministerio de Trabajo y Seguridad Social* (MTSS) Ministry of Labour and Social Security

MTSS is the central administrative body of the State entrusted with making proposals and carrying out general directives from the government in the area of work and labour, employment and social security and social assistance policy.

The basic organic structure of the ministry is laid down by Royal Decree (RD) 530/1985 of 30.04.85.

1.1 Managing bodies

- * The Minister
- * The Under-secretary of State for Labour and Social Security
- * The Secretariat General for Employment and Industrial Relations
- * The Secretariat General for Social Security

1.2 Main functions of the various bodies

Subsecretaria de Trabajo y Seguridad Social Under-secretariat for labour and social security

This under-secretariat is entrusted with monitoring and coordinating the general functions of planning and programming, management methods and technical advice. The following bodies report to the under-secretariat:

- * The *Secretaria General Tecnica*, the general technical secretariat which deals with planning and programming, studies, documentation, organisation and implementation activities within the area of ambit of the ministry, technical assistance and preparation of projects, conventions, agreements and international treaties.
- * The *Direccion General de Servicios*, the directorate general for services which deals with by-laws and general affairs, economic and financial management, administering assets, information and management of administrative resources;
- * The *Direccion General de Personal*, the directorate general for personnel which is entrusted with drafting and implementing the personnel policy of the ministry.

* The *Dirección General de Inspección de Trabajo y Seguridad Social*, the directorate general of the labour inspectorate and social security, which is entrusted with directing, managing, planning, coordinating, stimulating and carrying out functions concerning the inspectorate of labour relations, employment, safety and health, social security and any other matter which falls within the ambit of the ministry.

* The *Dirección General de Informática y Estadísticas*, the directorate general for informatics and statistics which deals with designing, developing and implementing the information system necessary for the ministry's management and decision-taking as well as for drawing up and implementing the statistical plan of the ministry, the autonomous bodies and the social security bodies.

* The *Dirección General del Instituto Español de Emigración*, the general directorate of the Spanish Emigration Institute which is entrusted with emigration matters, help to emigrants, geographical mobility within the country and immigrants as well as foreigners' work in Spain.

* The *Fondo de Garantía Salarial*, the income guarantee fund, is an autonomous public body established within the MTSS with its own statutes and the power to implement its tasks. Its purpose is to ensure that workers receive the amounts of their wages, including "replacement wages" which are paid when the payment by the employer is in abeyance because of insolvency, deferment of payments, bankruptcy or equality between creditors. In firms with less than 25 workers, the Fund also covers 40% of the legal allowance due to the worker whose employment contract expires following from measures regulating employment.

Secretaría General de Empleo y Relaciones Laborales
General secretariat for employment and labour relations

This secretariat is specialised in employment, labour relations and the labour market. It is entrusted with ensuring the implementation and monitoring the smooth functioning and development of labour relations, working conditions, occupational safety and health, mediation, arbitration and conciliation as well as all matters concerned with cooperation, the introduction and orientation of standards and regulations concerning work, conversion measures, employment promotion and vocational training.

The following report to the general secretariat:

* The *Dirección General de Trabajo*, the directorate general for labour entrusted with the smooth operation and development of labour relations, working conditions, occupational safety and health and employment regulations.

The directorate general for labour has three sub-divisions: for mediation, arbitration and conciliation, which also detects and analyses collective conflicts; for collective bargaining which is entrusted with implementing and developing industrial relations (collective and individual), working conditions as well as the study of collective

bargaining; and for corporate restructuring, which is entrusted with establishing conversion plans from a social and employment perspective.

* The *Dirección General de Empleo*, the directorate general for employment is entrusted with employment regulations, drafting, developing, evaluating and administering measures aimed at enhancing employment, as well as the drafting and follow-up of vocational training policy and studies on employment and the labour market.

Four general sub-divisions report to the directorate general for employment:

* The managing unit of the European Social Fund is entrusted with promoting the objectives of the Fund, with examining whether the requests for aid fit into the framework of national employment policy, with managing the files and requests for aid, and with monitoring and evaluating activities for which aid from the Fund has been solicited.

* The sub-division entrusted with regulating and promoting employment designs, follows and evaluates employment promotion programmes and drafts and interprets legislation as regards employment.

* The sub-division for vocational training is entrusted with drafting and programming the vocational training policy and its evaluation and follow up, and with directing the secretariat of the General Council for Vocational Training.

* The sub-division on employment and labour market studies is entrusted with designing studies and technical reports on the areas falling within the ambit of the general directorate.

* The *Dirección General de Cooperativas y Sociedades Laborales*, the directorate general for cooperatives and workers' companies is entrusted with organising and developing cooperatism and community enterprises. It consists of a single sub-division dealing with cooperatives' regulations and system.

* Also reporting to the general secretariat for employment and industrial relations are the following autonomous bodies: *INEM* (cfr below); *INSH*, the national institute for occupational health and safety, and *OTP*, the organisation of port labour.

Secretaría General para la Seguridad Social

Secretariat General for Social Security

This secretariat directs and monitors the managing bodies of the social security system: *INSS*, the National Institute for Social Security; *INSS*, the National Institute for Social Services; *ISMTGSS* the Social Institute of the Navy and the General Treasury for Social Security.

The following report to the Secretariat:

* The directorate general of the economic section of social security. This is in charge of the economic and financial functions of the social security, monitoring and coordination in this field. It is also responsible for providing information about all measures having an impact on the social security income and expenditure.

* The directorate general for social action is entrusted with the management, planning, coordination and development of social allowances and services, taking account of the duties of the State as regards social well-being.

* The directorate general of the legal and social security section is entrusted with the management, monitoring and overall control of the legal aspects of the social security system.

Consejo General de Formación Profesional (CGFP)
General Council for Vocational Training

The CGFP is a tri-partite body attached to the MTSS consisting of 13 representatives of the central administration, 13 representatives of employers' organisations and 13 representatives of the most representative trade unions.

CGFP is the advisory body representing institutions to advise the government on any question relating to vocational training and basic and technical education. It is entrusted with drafting and proposing to the Government a National Programme for Vocational Training (*FIPPlan*). It has also to evaluate and monitor the execution of the Plan, to provide information on drafts of studies programmes, technical vocational qualifications' certificates and diplomas, to make proposals and recommendations to the responsible ministerial departments, to propose activities to improve vocational guidance and to evaluate and follow up activities carried out within the area of vocational training.

1.3 Organisation chart

cfr following page.

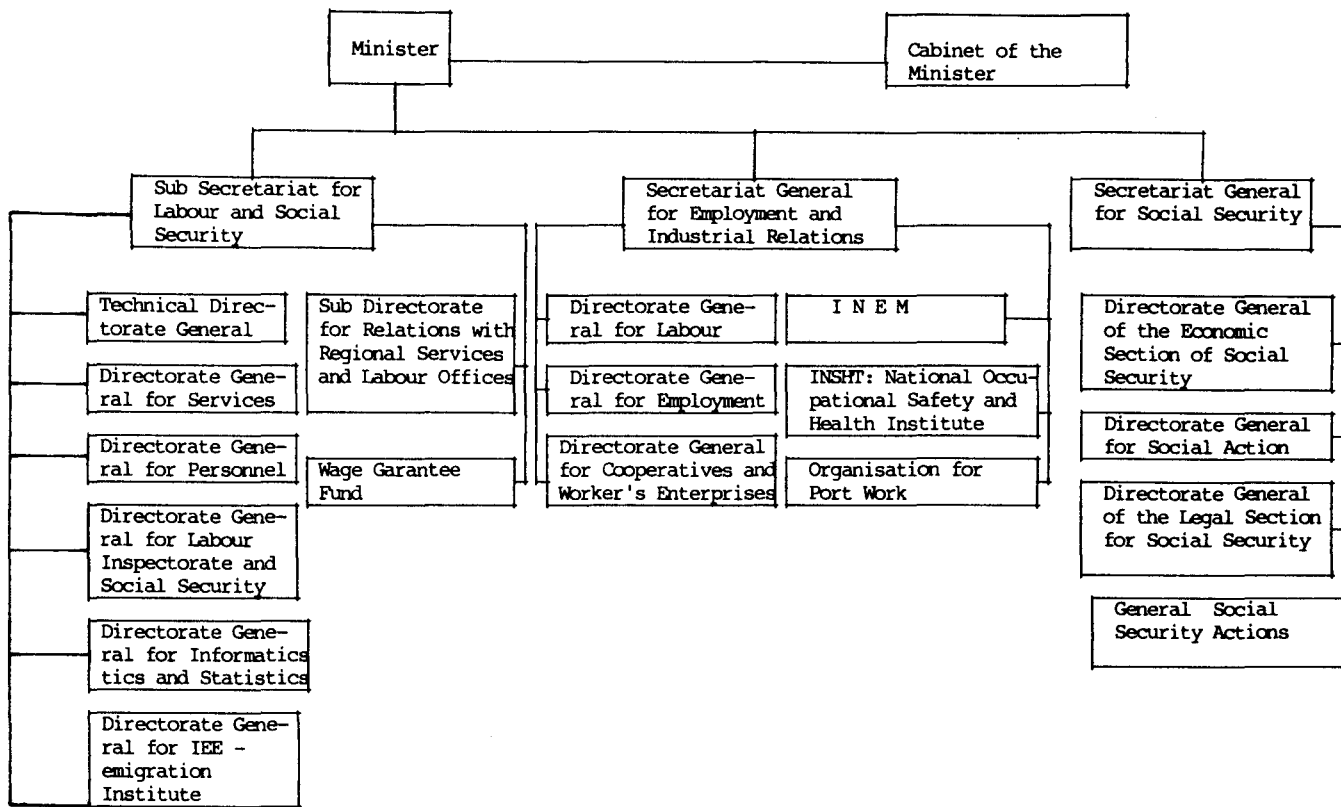
1.4 Staff

Staff of MTSS (excluding autonomous bodies) numbered 7,380 civil servants on 30 December 1987 (2,150 in the central services and 5,230 elsewhere).

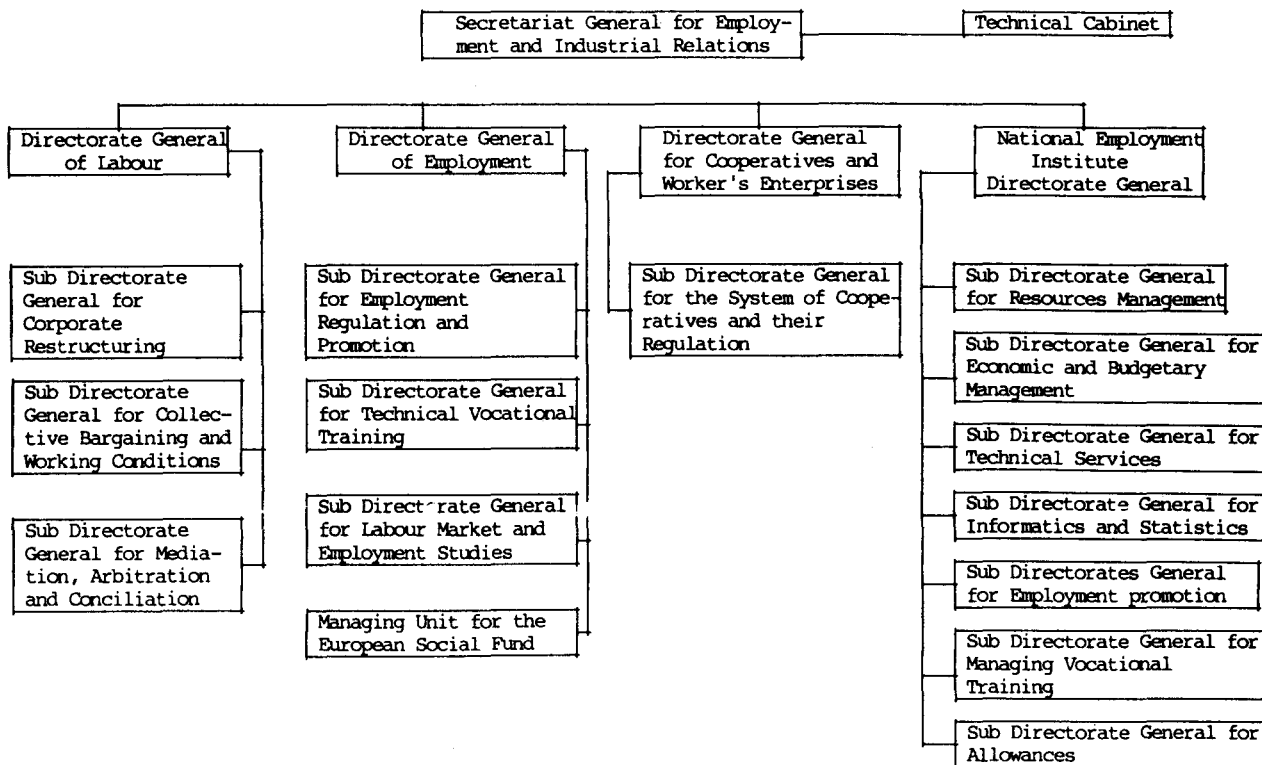
1.5 Budget

The budget of MTSS is approved each year through the State's general budget law. Not taking account of the social security budget except for the transfers of the State for financing the system, the budget amounted to Ptas 2,472,341 million in 1988 compared with 2,257,943 million in 1987. The main budgetary items (with 1988 figures) are: that for financing the social security system, which amounted to Ptas 1,180,972 million (compared with Ptas 1,055,216 million in 1987), that for allowances for the unemployed provided with Ptas 816,220 million (786,165 in 1987), followed by that for employment promotion, including activities carried through jointly with the European Communities, which amounted to Ptas 173,600 million (Ptas 160,800 in 1987), that for services for wage guarantees amounting to Ptas 98,036 million (78,317 million in 1987), and that of pensions and social allowances amounting to Ptas 84,059 (Ptas 75,589 million in 1987).

ORGANISATION CHART OF MTSS - The Ministry



ORGANISATION CHART OF THE SECRETARIAT GENERAL FOR EMPLOYMENT AND INDUSTRIAL RELATIONS



1.6 Cooperation and coordinated activities

At the national level there are very close relations with the ministries which are most directly concerned with the development of employment and vocational training policy (Ministry of Education and Science, Ministry of Economics and Finance and the Ministry of Defense), with the autonomous communities through the employment and labour offices through agreements on coordinating employment policies signed by the Minister with the autonomous communities. The aim of these agreements is to ensure cooperation as regards employment promotion and vocational training within the framework of each autonomous community. There is also cooperation with local bodies either directly or through the Spanish Federation of Provinces and Municipalities within the framework of a cooperation agreement for the coordination and better use of agreements reached between *INEM* and the local units.

At the international level, in addition to relationships which Spain has established with the European Communities as one of the Member States, the Ministry has close relations with international labour bodies (mainly the ILO and the OECD) and the labour institutions of Latin America.

2. INSTITUTO NACIONAL DE EMPLEO (INEM) The National Employment Institute

2.1. Legal status and constitutional competence

INEM is the body administering employment policy. It is an autonomous body *de character administrativo*, depending on *MTSS* through the intermediary of the Secretariat General for Employment and for Industrial Relations. It is a legal entity (*dotado de personalidad juridica*) and is authorised to take all measures necessary for achieving its objectives.

INEM was established by Royal-decree Law 36/1978 of 16.11.78 and its structure is laid down by RD 1458/1986 of 6.06.86.

INEM is entrusted with the following tasks:

- * to organise the national public employment service, free of charge;
- * to develop the placement and guidance policy and vocational information to provide workers with suitable employment and to provide employers with manpower corresponding to their needs;
- * to promote workers' training by designing and implementing vocational training programmes (*Plan FIP*);
- * to administer and monitor unemployment protection and compensation;
- * to administer and monitor aids and grants for employment promotion.

2.2. Decision-making bodies and procedures

INEM has a national and regional structure. The managing bodies of the central services are:

- * the General Council

- * the Executive Committee
- * Management

Main functions of the managing bodies

The General Council

The General Council is a tri-partite body consisting of thirteen representatives each of public administration, of the most representative trade union bodies and of the most representative employer bodies.

Among the tasks of the General Council is to draft the operating criteria of the Institute and to prepare the draft budget in line with the requirements of the general finance law, as well as to approve the annual report to be submitted to government.

The Executive Committee

The Committee is also a tri-partite body consisting of three members each of public administration, of the trade unions and of employer bodies which are members of the General Council. It is entrusted with following and monitoring the implementation of the agreements approved by the General Council, carrying out the functions delegated to it by the Council and proposing measures necessary for the enhanced functioning of the Institute;

The Management

Management is entrusted with directing, coordinating, planning and monitoring the activities of the Institute in carrying out its functions, inspecting the services of the Institute and coordinating information flows with the Ministry. The following report to the management:

- * the resources' management division (*subdireccion general*), which is responsible for the standing orders' service, general questions, and managing the real estate and facilities of the Institute;
- * the economic and budgetary management division entrusted with the economic and financial management of the Institute;
- * the technical services division responsible for technical documentation and the drafting of reports, planning and follow up of the activities of the Institute and the coordination of the legal proceedings of the Institute;
- * the informatics and statistics division. This includes the management of the Institute's computing centre which is entrusted with collecting and computing data in order to produce statistics;
- * the employment promotion division which is entrusted mainly with the preparation and application of employment promotion programmes, the administration of employment promotion measures and the organisation of vocational guidance;

- * the vocational training division which administers the vocational training, upgrading and further development of the workers; and

- * the compensation division, the main function of which is to organise and administer the functions and services linked to unemployment compensation.

2.3 Regional bodies

INEM's regional bodies are the provincial directorates and the provincial and island executive committees.

Provincial directors of the Institute carry out their duties under the direction and monitoring of the provincial director for labour and social security without prejudice to the fact that they depend on the director general of the Institute.

Under each provincial director there are three decentralised administrative units which are the local managing bodies at the provincial, regional and local levels: the *Oficinas de Empleo (OE)* which are entrusted with managing placement, promoting employment and managing unemployment compensation; the *Centros de Formacion Ocupacional (CFO)* which are entrusted with applying training directly related to INEM, the purpose of which is to provide workers with suitable vocational skills; and the *Centros de Orientacion Profesional (COP)*, for assessing jobseekers according to their skills and providing general guidance. At the end of December 1987, INEM had 606 OEs, of which 202 were computerised, 61 CFOs and 67 COPs.

The provincial executive committees are tri-partite bodies consisting of three representatives each of public administration, of the most representative trade unions and of the most representative employer associations. They are entrusted with ensuring the proper application of the agreements of the General Council and of the Executive Committee at the respective provincial or island level.

2.4. Personnel

At the end of 1987, the Institute employed 16.077 persons.

2.5. Operational budget

The budget is approved annually through the State's general finance law. In 1987 its resources amounted to Ptas 918,926 million and Ptas 979,248 million in 1988, of which Ptas 816,220 million was earmarked for unemployment compensation, which is the greatest budget item (Ptas 781,165 million in 1987), Ptas 122,230 million for employment promotion (100,348 million in 1987), Ptas 32,218 million for labour market actions (26,867 million in 1987) and Ptas 8,579 million to industrial restructuring (5,546 million in 1987).

Chapter II: LEGAL FRAMEWORK AND PROCEDURES

1. LEGAL INSTRUMENTS AND SUMMARY OF STATUTES

The sources of rights and duties in employment relationships are the legal and regulatory provisions of the State, collective agreements, the goodwill of the parties expressed in the employment contract, local and occupational customs and usages and the jurisprudence of the courts.

The Spanish Constitution of 27 December 1978, as the supreme law, takes over the contents of essential rights as regards employment relationships, the freedom to associate and to strike, the right to collective bargaining and the freedom of enterprise. All these rights strive to adapt conditions of employment to the level of development and to social advance while at the same time fostering workers' qualifications and their full training.

The main laws of the legal system dealing with dealing with work are the Workers' Statute and the Basic Law on Employment.

Law 8/1980 of 10.03.80 on the Workers' Statute was partly amended by Law 32/1984 of 2.08.84 and Decree Law 1/1986 of 4.03.86, the aim being to provide more clarity and stability to the legal framework. The Statute is intended to reduce the uncertainties of business heads as regards their actions leading to job creation. It provides for requisite adaptation of demand to the characteristics of the supply of labour by setting the maximum weekly working time at 40 hours, minimum annual vacation at 30 days and also by modifying regulations concerning overtime.

The area covered by the Workers' Statute is limited to workers in the strict meaning of the term: those who voluntarily hire out their services for payment within an organisation and under the direction of another physical or legal person called "the employer" or "business head", excluding the self employed and civil servants. It lays down that special employment relationships must be regulated by specific standards.

The Statute stipulates that workers' rights which are recognized as being inalienable by legal provisions or by convention cannot be renounced.

The Workers' Statute comprises three chapters.

* Chapter I deals with individual employment relationships. It sets out regulations governing the work contract and specifically everything relating to its sources, form, modification and abrogation. It also comprises provisions concerning related matters such as placement and the duration of the employment contract which is assumed to be open-ended. However, fixed term contracts are authorised in specific cases and in cases laid down by law as employment promotion measures. It also regulates issues concerning the length of work, vacation and leave, wages and promotion.

* Chapter II deals with the right for collective representation and workers' meetings within the company. It sets out the regulations governing the right of workers' participation in the enterprise through representative bodies, procedures for electing staff delegates and members of the works council and the right to hold meetings.

* Chapter III deals with collective bargaining and agreements. It sets out the regulations governing the nature and the effects of collective agreements through which the workers and the employers determine working conditions and productivity which all employers and workers are required to conform to in the field concerned for the whole duration of their validity. This chapter also covers persons who are authorised to negotiate and lays down the procedure for negotiating, applying and interpreting collective agreements.

Basic Law on Employment n° 51/1980 of 8.10.80 consists of one preliminary chapter and three others. Chapter II on protection from unemployment was abrogated by law 31/1984 of 2.08.84 on protection from unemployment which, with its provisions, constitutes the new legal system of protection against unemployment (cfr Chapter III: Measures).

The preliminary chapter of the Basic Employment Law "On employment Policy" defines the notion of employment policy and sets out its objectives. Implementing this policy is the task of government which it does through *INEM*, the national employment institute, or the managing agent.

Employment promotion is covered in Chapter I. This lays down some of the characteristics of national employment programmes and defines the material aspects of programmes for specific groups of workers: the contents of aids laid down by the measures (vocational training, technical assistance, grants or exemptions from social security contributions, aids and grants).

Chapter II dealing with protection from unemployment, has subsequently been rescinded (cfr below).

Placement policy and *INEM*'s services are covered by Chapter III. It defines the concept and the basic principles of employment policy and its objectives, describes the character of *INEM*: that it is a national public service provides free of charge which establishes participation with the social partners in its governing bodies. This chapter also covers all questions relating to the functions of *INEM* as well as cooperation with and duties of enterprises and workers as regards placement.

Finally, Law n° 31/1984 of 2.08.84 deals with protection from unemployment. Rescinding Chapter II of the Basic Employment Law, it governs the regulations relating to protection in case of unemployment where workers who are able and willing to work lose their employment or undergo a reduction of the normal duration of their work.

The other laws and legal instruments governing work are:

Law on the procedure to follow in labour conflicts - text revised by Royal-Decree Law n° 1568/1980 of 13.06.80. governs matters relating to arbitration and carrying out decisions in cases of litigation under social law.

Law n° 27/1984 of 26.06.84 concerning restructuring and reindustrialisation defines the criteria for declaring a sector to be undergoing "restructuring" as well as the ways and means for developing restructuring plans. It also sets out fiscal and financial measures concerning work which aim to guarantee the viability of restructuring programmes.

Organic Law n° 7/1985 of 1.07.85 on the rights and freedoms of foreigners in Spain lays down regulations on entry conditions, the situation of foreigners, work, their setting up in and their leaving Spanish territory. It defines,

other than special systems, offences and penalties, guarantees and their legal system.

The Organic Law n° 11/1985 of 2.08.85 on trade union freedom governs the right of wage-earning workers to trade union freedom. It defines the procedure to be followed by organisations to obtain the legal status and their jurisdictional monitoring. Moreover, it brings in the notion of the most representative trade union and regulates all issues relating to competences, attributions and guarantees as regards trade union action.

Law n° 8/1988 of 7.04.88 deals with social order offences and punishments deals with employers' occupational offences resulting from actions or negligence contrary to the legal provisions as regards work. It sets out the punishments. It also covers the offences of workers resulting from vocational shortcomings and the corresponding punishments.

Royal-Decree 2380/1973 of 17.08.73 on pay regulations lays down wage structures, defines and specifies the legal system relating to pay.

Decree-law 17/1977 of 4.03.77 on labour relations applies to everything concerning regulations on the right to strike, lock-outs and collective conflicts.

Royal-Decree 696/1980 of 14.04.80 on applying the Workers' Statutes lays down the procedure to be followed in cases where there are significant changes to working conditions, interruption or termination of an employment relationship. It was partly amended by royal-decree 2732/1981 of 30.10.81.

Royal-Decree 2001/1983 of 28.07.83 regulating the length of working time, derogations from the normal length of working time and rest days contains provisions complementing the Workers' Statute concerning working time, overtime and holidays.

Royal-Decree 505/1985 of 6.03.85 on the organisation and operations of the FGS, the wage guarantee fund deals with the real payment of wages whose payment has been delayed because of insolvency, suspension of wage payment, bankruptcy or dispute among the creditors of the company, following previous notification of the suspension of payment.

2. LABOUR MARKET INSTITUTIONS AND PROCEDURES

The Spanish Constitution recognises and guarantees the fundamental rights in the field of labour: the right of association, trade union freedom and the right to collective bargaining. The right of association is recognised by Article 22 as a fundamental basic right, and trade union freedom is guaranteed by Article 28. This recognises the right of workers to set up trade unions and to become a member of the union of their choice, as well as the rights of trade unions to come together in confederations and to establish international trade union organisations or to become members of them. Similarly, the right to collective bargaining on matters related to work between representatives of the workers and of the employers as well as the compulsory character of agreements is guaranteed by Article 37.

2.1. Employer organisations

The right to establish professional employer organisations for defending the interests of business heads is governed by Law 19/1977 of 1.04.77 and R.D.873/1977 of 22.04.77. All these organisations are entitled to participate in collective bargaining in their respective sectors.

On the other hand, the Workers' Statute in its 6th annexed regulation defines the notion of "the most representative employers' association". To be representative, employers' associations must bring together 10% or more of enterprises and workers at the national level (15% at least at the level of the autonomous communities). These employers' associations have institutionally the full capacity to represent the employers in the defense of their interests towards public administration and entities or bodies of the State or the autonomous communities. They are furthermore the only groups entitled to conclude agreements which are generally applicable in matters relating to economics, labour, employment, vocational training, social security and occupational health.

The most representative employers' organisations are *CEOE* (the Spanish confederation of employers' organisations), and *CEPYME* (the Spanish confederation of small and medium sized enterprises, which is affiliated to *CEOE*). Both are central organisations covering various industries.

2.2. Trade union organisations

Trade union freedom of the workers and of workers' associations is recognised by *LOLS*, organic law 11/1985 of 2.08.85 on trade union freedom. *LOLS* deals with persons who have the right to trade union freedom (ie. all workers with the exceptions of workers of the armed forces and military institutes), the contents of this right both at the individual and collective levels, the trade union legal system, trade union representativity, trade union action within the enterprise and mechanisms for protecting trade union freedom.

The representativity of trade unions in Spain is measured not by the criterion of membership but according to the results of the elections to works councils or to the staff delegation within companies. This gives rise to a mixed system of trade unions and unitary bodies. Articles 6.2. and 7.1. of *LOLS* specify that "the most representative trade unions" are understood as those which have special representativity expressed by obtaining at the national level 10% or more of all the votes for the elections of staff delegates and members of works committees and of the equivalent bodies of public administration, which entitle them to represent the workers at all national and functional levels. Similarly, the trade unions of the autonomous communities which have obtained 15% at least of the votes in the elections for staff delegates and members of works councils are considered as being "the most representative".

During the last trade union elections in 1986, the trade unions recognised as being the most representative according to the *LOLS* clauses were, at the national level, *UGT* (the general workers' union) and the *CCOO* (the workers' commissions) with respectively 40.92% and 34.54% of the representatives and *ELA-STV* with 34.47% of the votes in the Basque country.

The trade unions are organised at the "territorial", national, autonomous community, provincial and sectorial levels according to the industries and sectors in question.

2.3. Collective bargaining

From the Moncloa Pacts, signed in October 1977, through to the AES, the economic and social accord signed in October 1984 by the government, the CEOE, the CEYPME, and the UGT, it has been framework agreements concluded at the national and "intersectorial" level which have set the models for collective bargaining. In essence, the contents of collective agreements have conformed to the stipulations laid down in the framework agreements.

The legal framework of collective bargaining is laid down in Chapter III of the law on the 1980 Workers' Statute, amended in 1984. This defines the nature and effects of agreements, the parties which are authorised to conclude agreements and the negotiation procedure. The system of collective bargaining in Spain is characterised by the fact that the statutory collective agreements have the force of law and are generally applicable. Collective bargaining is conducted by the representatives of the workers and of business heads empowered to negotiate and reach a collective agreement which, from the functional viewpoint, can be of two types:

- * the enterprise agreement concluded within the narrowest framework of the enterprise, or
- * the sector agreement or that concluded within a framework broader than that of the enterprise.

The collective agreement can regulate economic, occupational, trade union or more generally other matters which have an impact on working conditions. The duration of agreements is laid down in the agreement itself by the same parties. Most agreements are concluded for a period of one year.

The number of agreements concluded in 1987 amounted to 3,881. These concerned 6,305,400 workers and 952,900 enterprises, thereby covering more than 75% of the dependent working population. The following table shows the development of collective bargaining over the past few years:

Years	Number of agreements	Number of workers concerned	Number of enterprises concerned
1984	3,796	6,181,900	836,900
1985	3,834	6,131,100	847,100
1986	3,771	6,126,300	891,700
1987	3,901	6,333,900	957,900

2.4. Representative bodies within the enterprise

The representative bodies within the enterprise are governed by Chapter II of the law 8/1980 of 10.03.80 on the Workers' Statute and R.D.1311/1986 of 13.06.86. It is through the representative bodies of the elected workers that workers exercise their right to participation within the enterprise. Based on the size of the enterprise, there are two bodies for representing the workers:

- * The staff delegation is the body for collectively representing the whole of the workers of the enterprise in workplaces employing less than 50 persons.
- * The works council is the elected body representing the whole of the workers in enterprises or places of work employing more than 50 persons.

Their purpose is:

- * to receive information on the overall development of the sector to which the enterprises belongs;
- * to be informed of the balance sheet, the profit and loss accounts and the annual report of the enterprise;
- * to give opinions in advance concerning the workers (restructuring staff and dismissals, reducing working time, changing the legal status of the enterprise;
- * monitoring the proper application of social legislation, social security and occupational health and safety.

Furthermore, workers who are members of a trade union can, within the framework of the enterprise or workplace, establish trade union sections which are represented by trade union delegates elected by and from among the unionised workers in enterprises and workplaces employing more than 250 persons.

3. UNEMPLOYMENT BENEFITS

See Chapter III, Measures 3.

4. MATCHING LABOUR SUPPLY AND DEMAND

4.1. Principles of placement policy

Placement policy covers activities carried out with a view to providing workers with work corresponding to their skills and to proposing to employers the manpower needed for performing their normal production activities.

The principles governing placement policy are equality of opportunity and of treatment at work, without discrimination, exclusion or preference based on race, sex, religion, political opinion, trade union affiliation, nationality or social background.

4.2. Purpose

The basic law on employment, 51/1980 of 8.10.80, lays down the following objectives for placement policy:

- a) to promote the placement of workers in jobs corresponding to their skills;
- b) to match supply and demand for jobs;
- c) to provide sufficient and concrete general information on the manpower needs of enterprises and on employment opportunities for the workers;
- d) to contribute to the examination and preparation of programmes aimed at reaching the highest possible level of employment;
- e) to help workers' occupational mobility by implementing plans for reconversion, skilling and advanced training;
- f) to participate in the preparation of vocational training programmes for performing a job in accordance with the labour market situation and prospects;
- g) to prepare statistics on the employment and unemployment situation; and
- h) to contribute to the vocational information, guidance and skilling of the workers.

4.3. Placement service

In Spain, placement is governed by the basic law on employment, 51/1980 of 8.10.80. This entrusts *INEM*, the national employment institute, with rendering the national service of placing workers, free of charge. It forbids private placement offices of whatever type or occupational area, whose purpose is to hire workers in any way at all. Article 42 of the law also sets out the duties of the employers and workers in this respect. It stipulates that enterprises are first of all required to ask *INEM* employment offices for the workers they need. They must then have their hirings checked and register employment contracts which must meet the conditions laid down by the legal or regulatory requirements. On their side, the workers are also required to enrol at employment offices when they are looking for work.

In the same way, the Workers' Statute stipulates (Article 16 governing entry to the labour market) that employers are required, compulsorily, to ask the employment office to recruit manpower, there being, however, the following exceptions: direct recruitment is accepted when there is no employment office in the area or when the employment office in question has not, within a period of three days, been able to propose workers for the vacancies, or when the employer does not hire the workers proposed by the employment office because they do not meet the conditions as regards skills laid down by the employer. However, in these cases the employer must inform the competent employment office of the recruitments which are made.

D.L. 1/1986 of 14.03.86 deals with measures of administrative, financial, fiscal and social urgency. It enlarges the possibilities of direct recruit-

ment which do not require having to go through employment offices. This can be done when enterprises publicly announce an entry exam, provided that they both respect a time lapse of at least three days between the notification and the exam and have advised *INEM* beforehand. The decree also lays down that the agencies or enterprises which deal with the selection of the workers must ensure that their advertisements for vacancies include requisite information for identifying the vacancies of the corresponding employment office.

4.4. Placement procedure

The basic law on employment lays down matching labour supply and demand as one of the aims of employment policy. To this end, it entrusts *INEM* with, in particular, helping workers to find a job which suits them and helping employers to hire workers whose skills correspond to their needs for the proper functioning of their production activities.

For the smooth functioning of placement management, a distinction is made between two types of vacancies:

- 1) "generic" vacancies (those by not by name-call) - *offertas innominadas*. The employer makes such vacancies known to the employment office without specifying which workers should take on the job so that the employment office can put the employer in touch with persons registered as jobseekers; and
- 2) vacancies which are by name-call - *offertas nominativas* - in which the employer specifies in advance the name of the worker(s) for the job(s).

Real matching happens only for generic vacancies for which the employment office intervenes actively by pre-selecting those applicants which fit the characteristics of the vacancy specified by the employer. *INEM's* technical services for vocational guidance are involved in this pre-selection phase.

Mention should also be made in this field of recent self-search experiments carried out in some employment offices. The workers in question receive guidance and training to this end.

Chapter III - MEASURES

Overview

1. Principles of employment policy

2. Measures for maintaining employment

- *Reconversion y reindustrialización*
Industrial reconversion and redeployment
- *Fondos de Promoción de Empleo (FPE)*
Employment Promotion Funds (ESP-11.1)
- *Zonas de urgente reindustrialización (ZUR)*
Zones of urgent reindustrialisation (ESP-11.2)
- *Ayudas públicas para el mantenimiento del empleo*
Public supports for employment maintenance
- *Ayudas al mantenimiento de puestos de trabajo en cooperativas*
Support for maintaining jobs in cooperatives (ESP-11.3)
- *Compensaciones económicas a los centros especiales de empleo*
Financial support to special employment centre (ESP-11.4)
- *Desempleo parcial*
Short-time working (ESP-11.5)

3. Measures giving aid to the unemployed

- *Medidas de ayuda a los parados: protección por desempleo*
Unemployment allowances
General
- *Nivel contributivo*
Unemployment insurance system (ESP-111.1)
- *Nivel asistencial*
Unemployment assistance (ESP-111.2)
- Special
- *Subsidio para trabajadores agrarios eventuales*
Grants for casual agricultural workers (ESP-111.3)

4. Training, retraining and occupational mobility

- * General principles
- *Plan nacional de Formación e Inserción Profesional (Plan FIP)*
Programmes within the framework of Plan FIP - the national training and vocational integration plan (ESP-iv.1)
- *Escuelas-Taller y Casas de Oficios*
Workshop schools and vocational training and youth employment promotion centres (ESP-iv.2)
- *El Consejo General de Formación profesional - CJFP*
The General Vocational Training Council (ESP-iv.3)

5. Job creation measures

- * *Medidas de fomento del empleo en el sector privado sin incentivo economico*
Measures for employment promotion in the private sector without financial incentives
 - *Contratos de duración determinada*
Fixed term employment contracts (ESP-v.1)
 - *Contratos temporales como medida de fomento del empleo*
Temporary work contracts as an employment promotion measure (ESP-v.2)
 - *Contratos a tiempo parcial*
Part-time contracts (ESP-v.3)
- * *Medidas de fomento del empleo en el sector privado con incentivo economico*
Measures for employment promotion in the private sector with financial incentives
 - *Contratos de trabajo en prácticas*
Practical work contracts (ESP-v.4)
 - *Contratos para la formación*
Training contracts (ESP-v.5)
 - *Contratos por tiempo indefinido de trabajadores jóvenes y de otros colectivos*
Open-ended contracts for young people and other groups (ESP-v.6)
 - *Contratos de trabajadores mayores de 45 años*
Contracts for workers aged over-45 years (ESP-v.7)
 - *Contratos de trabajadores minusválidos*
Contracts for disabled workers (ESP-v.8)
 - *Contratación de mujeres en oficios que se encuentran subrepresentados*
Hiring women in occupation where they are under-represented (ESP-v.9)
- * *Medidas de fomento del empleo en el sector publico*
Employment promotion in the public sector
 - *Convenios INEM-Administraciones Publicas*
INEM-public administration accords (ESP-v.10)
 - *Plan de empleo rural*
Rural employment plan (ESP-v.11)
 - *Trabajos de colaboración social*
Works of social utility (ESP-v.12)

* *Medidas de apoyo a la creación de empleo*

Support measures for job creation

- *Capitalización de prestaciones por desempleo*
Capitalising unemployment benefits (ESP-v.13)
- *Promoción del empleo autónomo*
Promoting self-employment (ESP-v.14)
- *Promoción del empleo en cooperativas y sociedades laborales*
Employment promotion in cooperatives (ESP-v.15)
- *Promoción de iniciativas locales de empleo*
Promotion of local employment initiatives (ESP-v.16)
- *Integración laboral del minusválido*
Integrating the disabled (ESP-v.17)
- *Otros (incentivos fiscales)*
Others (fiscal incentives) (ESP-v.18)

6. Measures for special categories of people

- *Jovenes*
Young persons (ESP-vi.1)
- *Mujeres*
Women (ESP-vi.2)
- *Minusvalidos*
Disabled (ESP-vi.3)
- *Parados de larga duración*
Long-term unemployed (ESP-vi.4)

7. Measures on working time

- *Regulación de la jornada, horas extraordinarias y tiempo de descanso*
Regulations concerning the length of working time, overtime and leave (ESP-vii.1)
- *Contrato a tiempo parcial*
Part-time contracts (cfr ESP-v.2)
- *Jubilación anticipada mediante sustitución por otro trabajador*
Early retirement with replacement by another worker (ESP-vii.2)
- *Contratos de relevo*
"Take-over" contracts (ESP-vii.3)

8. Placement measures

- *Gestión de la colocación, orientación y readaptación*
Managing placement and vocational guidance and readaptation (ESP-viii.1)
- *Ayudas a la movilidad geográfica*
Aid to geographical mobility (ESP-viii.2)

1. PRINCIPLES OF EMPLOYMENT POLICY

The prime aim of the economic policy of the Spanish government is the sustained increase of production and employment. To this end, a series of measures has been taken both concerning monetary policy (control of the monetary supply and interest rates) and fiscal policy (tax incentives for investments). They are intended to control inflation and to create thereby a stable climate for investment and saving. This in turn should have a direct impact on employment creation and maintenance. Because of the government's policy and the international upswing, the Spanish economy is experiencing slow, but sustained growth. Within a context of "quasi-stable" prices and the upswing of economic activities, Gross Domestic Product is rising, as is investment and consumption. And there is a net creation of new jobs, which is fostered also by wage moderation, itself the result of social concertation.

The whole of employment policy is inspired by "social concertation". This had its origins in "Moncloa Agreements" in October 1977. The joint approach is considered to be the appropriate way of coming out of the crisis. Designed as an instrument for participation and consensus between employers and workers and, in some cases, the administration (depending on whether the agreements were bi- or tri-partite), the purpose of this concertation was to get the economy moving again and to create jobs. This social concertation policy culminated in the signature of the AES, the economic and social agreement, on 9 October 1984. Signed by the government, the employers (CEOE and CEYPM) and the UGT trade union, the AES included that national (employers-UGT) agreement and the 1985-86 round of collective bargaining.

The main lines of current employment policy are as follows:

- * creating a clear, stable and flexible framework of contractual formulas fostering employment creation and adjustment of the demand to the requirements of the supply;
- * establishing positive actions to stimulate job creation and enterprise start-ups;
- * increasing and diversifying the supply of vocational training and its adaptation to new technologies and to demand within production systems;
- * defining lines of action aimed at sharing work; and
- * extending the system of protection against unemployment, linked with positive actions (FIPPlan, employment promotion), moving from a protectionist to a more active conception of employment policy.

The basic law which provides the overall framework for industrial relations in Spain is Law 8/1980 on the **Workers' Statute** of 10.04.80. modified by law 32/1984 of 2.08.84. These laws define the different types of employment contracts and spell out the rules governing aspects connected with working time, holidays, workers' remuneration and career advance in conformity with the principle of "collective autonomy of the social partners".

The law more specifically governing employment policy is the **Basic Law 51/1980 on Employment**, of 8.10.80. Chapter II of this law was amended by the law on protection against unemployment. Law 31/1984 of 2.08.84 improves the system of protection against unemployment. The Basic Law comprises a preliminary chapter on the notion of employment policy and its objectives. Chapter 1 deals with "employment promotion" by means of programmes fostering the maximum use of the available human and economic resources. Chapter 2 is

devoted to systems of protection against unemployment and their special characteristics, as amended by Law 31/1984 of 2.08.84. Chapter 3 concerns the aims and nature of the placement and services of *INEM*, the national employment institute.

The Basic Law on Employment covers employment policy measures within the framework of the economic policy of the government. These measures aim at achieving and maintaining full employment, improving the structure of employment and promoting the improvement of working and living conditions. The Basic Law states the following employment policy objectives:

- a) to establish in the short, medium and long term a balance between the supply and demand for work, quantitatively as well as qualitatively, by means of greater labour market flexibility;
- b) to give the labour market the greatest "transparency" possible by means of adequate placement management through adopting measures facilitating vocational information, guidance, training and advance;
- c) to raise the level of employment by increasing the openings for labour-intensive activities;
- d) to foster occupational and geographical mobility with a view to matching the supply of and demand for labour;
- e) to define and set the rules for effective systems of unemployment prevention and protection.

Actions to achieve these objectives will be undertaken by means of coordinated action of various ministries and through *INEM*, the national employment institute, as the managing body of employment policy.

2. MEASURES FOR MAINTAINING EMPLOYMENT

1. Industrial reconversion and redeployment:

- * *Fondos de Promoción de empleo* - Employment promotion funds (ESP-11.1)
- * *ZURs* - reindustrialisation zones (ESP-11.2)

2. Public support for employment maintenance:

- * Support to maintain jobs within cooperatives (ESP-11.3)
- * Financial support for special employment centres (ESP-11.4)

3. Part-time working (ESP-11.5)

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* *

1. RECONVERSION Y REINDUSTRIALIZACION

Industrial reconversion and redeployment

Aim

To increase the competitiveness of industrial sectors experiencing crisis by reorientating their human and financial resources towards sectors which have a future and by the industrial redeployment of sectors being converted.

Legal basis

Law 27/1984 of 26.07.84 on industrial reconversion and redeployment.
Royal decree 1990/1984 of 17.10.84 and development and application order of 31.07.85.

Contents

A series of measures dealing with work have been brought in to facilitate the manpower adjustments necessary for maintaining and improving the mechanisms for social protection (aids corresponding to early retirement, payment of unemployment benefits for the maximum legal period irrespective of the length of time for which contributions have been paid), and promotion of activities likely to create employment and stimulate industry (*FPE* and *ZURs*).

ESP-11.1

FONDOS DE PROMOCION DE EMPLEO (FPE)

Employment Promotion Funds

Aim

These funds have been established to

- * increase protection against unemployment by providing a supplement to the amount of unemployment benefit and by extending the period of coverage: the beneficiary receives 80% of the average gross pay for the 6 months preceding the beginning of unemployment for a 3 year period;

- * contribute to the redeployment of the unemployed by means of financial aids aimed at stimulating the creation of new and stable jobs;

- * enable the occupational redeployment of redundant workers, in collaboration with *INEM*

- * provide coordination with the *ZURs*

Legal basis

- * Royal decree 335/1984 of 8.02.84

- * Royal decree 341/1987 of 6.03.87

Institutional support

The bodies entrusted with implementing these measures are independent associations which collaborate with *INEM*.

Financial resources

These funds are provided by employers' and employees' contributions and by grants.

Effects

There were 4 employment promotion funds in 1987 for the sectors of iron and steel, special steels, shipyards and domestic electrical appliances. In October 1987 13,034 workers were drawing on these funds, including 6,481 persons aged under 55 years continued to draw on the funds for the shipyard and household appliances sectors. There was an estimated 27,591 beneficiaries of *FPE* who had completed the reconversion plan.

ZONAS DE URGENTE REINDUSTRIALIZACION (ZUR)
Zones of urgent reindustrialisation

Aim

The government can create a ZUR by decree after receiving the agreement of an autonomous community in areas which are most hit by the crisis of sectors in the process of reconversion.

Legal basis

- * Law 27/1984 of 26.07.84 on "reconversion and re-industrialisation"

Contents

Enterprises carrying out activities which can draw on aids in ZUR regions can receive:

- * grants
- * priority in obtaining an official credit
- * tax advantages
- * special plans for amortisations

Financial resources

The general budget of the State

Institutional support

Management is by a management committee composed of representatives of the ministries concerned and the corresponding autonomous Community.

Effects

72,012 workers of a total of 297,712 workers affected by the process of industrial reconversion have received support.

2. AYUDAS PUBLICAS PARA EL MANTENIMIENTO DEL EMPLEO

Public supports for employment maintenance

ESP-11.3

AYUDAS PARA EL MANTENIMIENTO DE PUESTOS DE TRABAJO EN COOPERATIVAS

Support for maintaining jobs in cooperatives

Aim

To provide financial and technical support for workers' cooperatives and workers' companies (*sociedades laborales*)

Legal base

* Decree of 21.02.86

* Decree of 6.04.87

Contents

Grants are given towards interest rates for investment credits in fixed capital. Financial aids for technical assistance and training cover up to 100% of the costs if these activities are carried out by the companies themselves or 50% if they are commissioned from third parties.

Institutional support

General budget of the State. Management is by *MTSS* or the autonomous communities to whom authority has been devolved.

Effects

In the course of the three years 1984-6, 5,017 cooperatives were set up with 42,915 "associated workers" (1,492 cooperatives with 13,546 associated workers in 1984, 1,406 cooperatives with 11,715 members in 1985 and 2,119 cooperatives with 17,654 members in 1986).

COMPENSACIONES ECONOMICAS A LOS CENTROS ESPECIALISES DE EMPLEO

Financial support to special employment centres

Aim

To ensure the viability of specialised centres employing disabled workers by supporting workplaces and the vocational integration of disabled workers.

Legal base

- * Law 13/1982 of 7.04.82 concerning the social integration of the disabled.
- * Order of 21.02.86

Contents

Centres can receive the following support for maintaining employment:

- * Contributions to wage costs of up to 50% of the minimum national ("interprofessional") wage
- * 100% exemptions of the employers' social security contribution;
- * Technical assistance grants
- * Grants for adapting working places and offices of up to 80% of the costs
- * One-off capital grants to enable special centres' income and expenditure to be balanced or their finances to be restructured so that they reach acceptable levels of productivity and profitability
- * Grants for balancing the budgets of non-profit public utility centres.

Institutional support

The general budget of the State. Management is by MTSS or by the autonomous communities and local corporations.

ESP-11.5

DESEMPLEO PARCIAL

Short-time working

The purpose of these measures is to prevent or impede job losses. They enable companies experiencing conjunctural crises either because of economic circumstances or *force majeure* to reduce the length of working time by at least one third of normal working time.

During short-time working, the worker receives a wage which is reduced proportionately to the reduction in working time and an allowance for short-time working, the amount of which is determined according to the norms regulating complete unemployment (cfr § 3 on protection against unemployment).

3. AIDS TO PERSONS WITHOUT EMPLOYMENT

MEDIDAS DE AYUDA A LOS PARADOS: PROTECCION POR DESEMPLEO

Unemployment allowances

Aim

To provide allowances in compensation for the loss of income for workers in a recognised state of unemployment.

Legal base

- * Law on unemployment protection 31/1984 of 2.08.84
- * Royal decree 625/1985 of 2.04.85 completing the law 31/1984 of 2.08.84
- * Royal decrees enlarging protection to other categories of persons*:
 - Royal decree 1167/1983 of 27.04.83
 - Royal decree 2298/1984 of 26.12.84
 - Royal decree 1990/1984 of 17.10.84
 - Royal decree 1043/1985 of 19.06.85
 - Royal decree 474/1987 of 3.04.87

Contents

There are two levels of unemployment protection: the insurance level and the assistance level. Both are public and compulsory.

Protection consists of two types of allowances:

- 1) Financial allowances:
 - unemployment benefit
 - assistance allowance in cases of unemployment
 - credits for social security contributions during the period of unemployment
- 2) Social allowances:
 - health care allowances
 - specific training, re-training, guidance and vocational conversion actions

Unemployment protection covers all paid workers who are subject to the general social security system and wage-earners under special systems covering similar risks, ex-prisoners, returning emigrants, and persons included by law in "wage-earning workers" (persons working under "administrative law" and civil servants working for public administrations as well as working members of cooperatives).

* The group of persons concerned was enlarged to dependent workers who are either subject to the special system operating in the coal-mines, agriculture and seamen or those who have become members of the general social security system by Royal decree 2621/1984 of 24.12.84 (railwaymen, professional footballers, commercial travellers, toreros and artists).

NIVEL CONTRIBUTIVO

ESP-iii.1

Unemployment insurance system

This consists of allowances for complete and part unemployment, taking over employers' and workers' social security payments and social allowances.

Conditions of payment

- To be a member of the social security and to be able to justify a period of effective or assimilated payment
- To have paid for a minimum period of 6 months during the four years before the onset of the recognised unemployment
- To be unemployed as recognised by the law
- Not to have reached the age legally giving the right to a retirement pension, with the exception of cases where the worker cannot justify having a sufficient number of years of work or in cases of employment relationships having been suspended or the reduction of working time authorised by legal authorities.

Amounts

The amount of the allowances is set by applying the following rates to the average of the wages serving as the reference for the social security during the 6 months preceding the unemployment:

- 80% during the first 6 months
- 70% from the 7th and until the 12th month
- 60% from the 13th month.

The amount of the unemployment allowance can under no circumstances be less than the level of the national ("interprofessional") minimum wage at the time of the beginning of the right to compensation, including that proportion corresponding to the various premia and payments in addition to the wage, nor can it exceed 170% of this amount except when the worker has family dependents, in which case the maximum ceiling can be raised to 220% according to the number of dependent children.

Duration of allowances

The duration of the allowances depends on the period for which the beneficiary has worked and contributed during the four years preceding the beginning of the unemployment according to the following table:

<u>Length of contributory period</u>	<u>Duration of allowance</u>
From 6 to 12 months	3 months
From 12 to 18 months	6 months
From 18 to 24 months	9 months
From 24 to 30 months	12 months
From 30 to 36 months	15 months
From 36 to 42 months	18 months
From 42 to 48 months	21 months
48 months or more	24 months

Origin of the right

The right to the allowance starts on the day following the recognised unemployment situation provided that the worker makes his/her request within 15 days starting from this date. Should the request be made later, the right to benefit starts from the day following making the request for compensation. Under these circumstances those days between the date at which the right originated if he/she had claimed it in due time and form and that on which the request was actually made.

Suspension and ending of the right

The right to compensation can be suspended by the managing body in cases laid down in the law, and be re-established on the ending of the reason for the suspension.

The right normally ceases on expiry of the duration of the allowances and in cases explicitly laid down by law. In either case (of suspension or ending) the requirement for contributions ends at the same time as the allowances.

NIVEL ASISTENCIAL

ESP-III.2

Unemployment assistance

This comprises:

1. the unemployment assistance grant
2. the payment of social security contributions for health care, for possible family protection, pension - in cases of workers aged more than 55 - and
3. social allowances.

Conditions required

- To be enrolled as a jobseeker, not to have refused the offer of suitable work during the month following registration as a jobseeker or the ending of the right to an unemployment allowance and not to have income above that of the national ("interprofessional") minimum wage;
- To be in one of the following situations:
 - * to have exhausted the right to unemployment benefit and to have dependents;
 - * to have completed a prison sentence or to be a returning migrant worker without the right to the unemployment allowance, but at the same time justifying at least 3 months of social security contributions and to have dependents;
 - * to be declared to be no longer disabled or only partially disabled following a procedure revising the declaration of major disablement or permanent, absolute or total disablement;
 - * workers aged more than 55 years who, at the time of making the request, fulfil all the conditions required except that of age for obtaining any sort of pension.

Amounts

The amount of the allowance is equal to 75% of the national ("inter-professional") minimum wage.

Duration

In general, the duration for which the allowance is paid is a 6 months, renewable each half year for a maximum of 18 months. For workers lacking less than 6 months, the duration is 3, 4 or 5 months depending on the contributory period. For workers more than 55 years of age, the allowance is paid until they reach retirement age.

Origin of the right

The right to allowances starts on the day following the waiting period of one month provided that the request was made during the following 15 days. If the request is made outside this period, the opening of the right starts from the day following the making of the request.

Suspension

The rules laid down for the suspension and exhausting of unemployment benefits are applicable.

SUBSIDIO PARA TRABAJADORES AGRARIOS EVENTUALES
Grants for casual agricultural workers

ESP-111.3

Aim

This measure is financed exclusively by the State. It has special characteristics and applies to casual wage-earners covered by the Special Agricultural System of Social Security of the autonomous communities of Andalusia and Extremadura.

Legal basis

- * Royal decree 2298/1984 of 26.12.84, partly modified by
- * Royal decree 1610/1987 of 23.12.87

Contents

The conditions for eligibility are:

- to be unemployed and registered in the special agricultural system;
- to justify a number of days of work laid down by the Ministry of Labour for which contributions have been paid into the Special Agricultural System;
- not to have the right to a retirement pension; and
- not to have income above the national ("interprofessional") minimum wage.

The amount of this allowance corresponds to 75% of the national ("interprofessional") minimum wage in force and furthermore includes the wage-earner contribution to the Social Security.

This grant is paid for a transitional period of a maximum of 180 days during a 12 month period. Right to the grant is given from the day following the request.

Financial resources

The two aspects of unemployment protection (insurance and assistance) are financed by wage-earner and employer contributions. The 1988 rate of payment is 6.3%, 5.2% being paid by the employer and 1.1% by the wage-earner, as well as a contribution from the State. The State's contribution is set annually in the General Budget Law.

Institutional support

The scheme is administered by *INEM*.

4. TRAINING, RETRAINING AND OCCUPATIONAL MOBILITY

General Principles

The basic principles of *Plan FIP*, the national vocational training and integration programme, were approved by Order on 31.07.85. and have been successively modified up to the current (summer 1988) Order of 22.01.88. *Plan FIP* seeks to broaden the systems of vocational training, re-training and qualifications. It is based on the following general principles:

- * the guaranteed adaptation of the work-force to the new needs of the system of production;
- * the integration of vocational training into employment policy;
- * the coordination of activities carried out in this field by public administration and private institutions;
- * the participation of the social partners, employers and workers.

The basic objectives of *Plan FIP* are:

- * to foster and broaden the systems of vocational training, retraining and re-conversion;
- * to focus as a priority on those categories of persons having the greatest difficulty in finding employment; and
- * to modernise and update the contents of courses.

PLAN NACIONAL DE FORMACIÓN E INSERCIÓN PROFESIONAL (PLAN FIP)

Programmes within the framework of *Plan FIP* - the national training and vocational integration plan

Aim

Various programmes have been brought in to ensure the availability of specialised manpower, adapted to the new production systems, and to facilitate the entry to working life of groups of the unemployed who lack preparation or working life experience.

Legal basis

* Ministerial Order of 22.01.88.

Contents

1) Vocational training programmes for young people and the long-term unemployed:

a) Aid to training young people hired by a training contract

Aim

To provide a course of vocational training so that, at the end of the contract, the trainee obtains a certificate of "vocational training in practice".

Contents

* Grant of Ptas 90 per hour of training per worker per day when training is given in-company without the plan having been passed by *INEM*

* Lump sum grant for a training action when it is part of a plan which has been agreed to by *INEM*

* Grant equal to 75% of the minimum national ("inter-professional") wage when the training contract is carried out by handicraft training workshops.

b) Practical vocational training for young unemployed persons of less than 25 years of age

Aim

To provide courses of practical vocational training to young persons under 25 years of age who are unemployed and whose qualifications are seen to be insufficient or inappropriate.

Contents

* Grants of Ptas 550 per course day to students

* Grants to centres cooperating with *INEM* where courses are given

c) Practical vocational training with practical in-company traineeships for young persons under 18 years of age

Aim

Carrying out non-technical vocational traineeships for students of under 18 years of age through practical vocational training.

Contents

- * Grants of Ptas 550 per course day
- * Grants to centres cooperating with INEM which provide the courses
- * Financial compensation which can reach Ptas 500 per person and per practical traineeship day according to expenses incurred by putting on these practical traineeships.

d) Practical vocational training for the long-term unemployed

Aim

Training in basic skills, vocational retraining or further training to these LTUs. Training is for workers registered as unemployed for more than a year.

Contents

- * Grants to participants under 25 of Ptas 550 per course day;
- * Aids to participants over 25 and those under 25 who are looking for their first job and who have dependents, equivalent to 75% of the current national ("inter-professional") monthly wage;
- * Grants to centres, collaborating with INEM, which run the courses.

2) Vocational integration courses by *contratos de trabajo en practicas* (practical work contracts)

Aim

Contributions to the wages for new practical work contracts for specific categories. The aim is to facilitate the acquisition of vocational experience corresponding to the level of training of those unemployed persons who have received second level (or equivalent) vocational training as well as jobseekers looking for their first job who have been registered for at least two months.

Contents

Grants of Ptas 120,000 for contracts of an initial period of 6-12 months, 240,000 for 12-24 month contracts and 280,000 when the initial period is at least 24 months.

3) Programmes for catching up on basic education, alternance (sandwich) training and training young persons taking their military service

a) Catching up training for young persons under 16 years of age

Aim

To provide catching up basic general education together with supplementary vocational training focused on an occupation

b) Vocational training in anternance for second degree vocational training students and university undergraduates

Aim

To enable students who have had second level vocational training and university undergraduates to take an in-company traineeship for a maximum of 80 days a year or 400 hours a year, this traineeship being an integral part of their training.

Contents

- * Bursaries for students to a maximum of Ptas 800 per person and per day of practical vocational traineeship, this sum to include travel and upkeep.
- * Allowances to companies for the expenses incurred to a maximum of Ptas 500 per person per day.

c) Catching up training for adults and approval of practical vocational training followed during courses on military service

Aim

To complete incomplete general basic training by young persons doing their military service (or the social work replacing it). During this period practical vocational training is given which is both approved and attested by a certificate of vocational skills.

4) Vocational training in rural environments

Aim

Vocational qualification or reconversion of workers in rural environments

Contents

- * Bursaries of Ptas 550 per day of training for the unemployed under 25 years
- * Bursaries of an amount equal to 75% of the national ("interprofessional") minimum wage for participants over 25 years of age who have been unemployed for an extended period
- * Allowances to centres cooperating with *INEM* which carry out training.

5) Practical vocational training programmes in sectors or enterprises which are being restructured for persons who have a job or for the self-employed

a) Vocational training in sectors or companies which are being restructured

Aim

Re-training and vocational development of workers receiving help from the Employment Promotion Fund or belonging to companies which are being restructured or are affected by a reduction in employment.

Contents

- * Grants to companies which are carrying out training according to a plan approved by *INEM*
- * Grants to companies to contribute to a part of the wage costs of the normal working day, proportional to the number of hours devoted to training, provided that the company has received the agreement of the legal representatives of the workers.

b) Practical vocational training for corporate personnel and self-employed workers

Aim

Recurrent vocational training of the personnel and self-employed workers desirous of facilitating their adaptation to changes in working life resulting from the introduction of new technologies.

Contents

- * Grants to enterprises and centres cooperating with *INEM* which provide the courses
- * Allowances to enterprises (but not to the self-employed) to contribute to a part of the wage costs of the normal working day, equivalent to 50% of the national ("interprofessional") minimum wage proportional to the number of hours spent in training -- provided that the enterprises has received the agreement of the legal representatives of the workers.

6) Vocational training for women in occupations where they are under-represented

Aim

To foster the integration or reintegration into working life of unemployed women in those occupations where they are under-represented.

Contents

- * Grants for participants under 25 years of Ptas 550 per course day and aids to participants over 25 corresponding to 75% of the current national ("interprofessional") minimum wage;
- * Financing training expenses when the training is provided by centres cooperating with *INEM*.

7) Other training programmes

- a) Training for members of cooperatives and of registered workers' companies
- b) Training for the disabled
- c) Training for emigrants
- d) Training for socially marginal groups and ethnic minorities
- e) Practical vocational training for other categories: jobseekers with a job, workers in receipt of unemployment benefit, the unemployed aged over 25 registered at an employment centre for more than one year.

Finance

Training is financed from the general budget of the State (*INEM* budget) by vocational training contributions (0.7% of the real wage) paid by employers (0.6%) and workers (0.1%) and by the European Social Fund.

Institutional support

The *PLAN* is largely managed by *INEM*, with the participation, for specific programmes, of other managing units such as the Directorate General for Cooperatives and Workers' Companies (for the first), *INSS* (the national social services institute - for the second and fourth) and the management of *IEE* (the Spanish Emigration Institute - for the third). The Ministry of Education and Science, the Ministry of Defense and the autonomous Communities also participate in putting the *Plan* into effect.

ESCUELAS-TALLER y CASAS DE OFICIOS

ESP-iv.2

Workshop schools and youth training centres

Aim

To finance public employment/training projects intended to vocationally qualify young persons by means of alternance training under training contracts or practical traineeships.

The training in the *escuelas-taller* concerns specialisms and trades linked to programmes of renovating natural or historical assets, as well as reviving various handicrafts. Furthermore, the practical work is carried out on a concrete renovation or restoration project.

In the *casas de oficios* training concerns trades and professions which improve the quality of urban life (urban infrastructure, the living environment, social services, etc) as well as reviving traditional handicrafts through the use of new technologies.

Legal basis

* MTSS Order of 29.03.88 - BOE of 30.03.88

Contents

There are two phases: the first is that of theoretical-practical training. During this time, the student receives a grant of Ptas 550 per teaching day. This phase lasts 3-6 months. The second is the alternance training phase, with an employment contract. This lasts 6-30 months in the *escuela-taller* and 3-9 months in the *casas de oficios*.

The promoters of projects can be either public (bodies or enterprises) or private (non-profit institutions). In fact, they are municipal authorities and the autonomous Communities. They fit into the framework of the local employment initiatives. Both *escuelas-taller* and *casas de oficios* can become legal entities in their own right.

The aim of the grants is to finance

- * training activities (teachers, teaching material, depreciation of the premises, etc);
- * the wage costs of the students having an employment contract and the bursaries of those participating in the training phase
- * the staffing costs of the *escuela-taller* and the *casas de oficios*
- * transport, board and lodging costs (where necessary) of the students and the staff.

The *casas de oficio*n can finance a part of their expenses through services rendered or the sales of their products.

The students can draw on professional guidance, advice and information as well as being trained in corporate start-ups, the aim being to stimulate them to set up on their own according to different approaches: self-employment of "social economy". Similarly, once they have set up on their own (as a business head, member of a cooperative or private

company) they are guaranteed advice and technical support (feasibility or market studies, administrative help, management support, etc).

Once they have finished their learning, the students receive a certificate showing the level of their knowledge and what they have learned.

Financial resources

Mixed: *MTSS* (which also manages the schemes), the promoter of the *escuela-taller/casas de oficios* and the European Social Fund.

EL CONSEJO GENERAL DE FORMACION PROFESIONAL - CJFP
The General Vocational Training Council

ESP-iv.3

Aim

The Council is the advisory body to the government for drafting the national programme of vocational training, both practical and theoretical. Its members represent their institutions.

Legal basis

- * Law 1/1986 of 7.01.86
- * Royal decree 365/1987 of 27.02.87

Contents

CJFP is a tri-partite body to MTSS, the Ministry of Labour and Social Security. It consists of 26 representatives of trade unions and employers' associations and 13 representatives of the central administration.

Its functions are to:

- * draft the National Programme for Vocational Training and submit it to the government for application;
- * evaluate and monitor the execution of this Programme as well as its updating;
- * provide information on draft outlines for studies, vocational qualification certificates, and their approval as regards vocational training;
- * state opinions on everything concerning vocational training which is submitted to it by the competent ministerial departments;
- * to make proposals and recommendations to the competent ministerial departments;
- * to propose activities to improve vocational guidance; and
- * to evaluate and follow vocational training activities.

5. JOB CREATION MEASURES

- * Measures for employment promotion in the private sector without financial incentives
 - *Contratos de duración determinada*
Fixed term employment contracts (ESP-v.1)
 - *Contratos temporales como medida de fomento del empleo*
Temporary work contracts as an employment promotion measure (ESP-v.2)
 - *Contratos a tiempo parcial*
Part-time contracts (ESP-v.3)
- * Measures for employment promotion in the private sector with financial incentives
 - *Contratos de trabajo en prácticas*
Practical work contracts (ESP-v.4)
 - *Contratos para la formación*
Training contracts (ESP-v.5)
 - *Contratos por tiempo indefinido de trabajadores jóvenes y de otros colectivos*
Open-ended contracts for young people and other groups (ESP-v.6)
 - *Contratos de trabajadores mayores de 45 años*
Contracts for workers aged over-45 years (ESP-v.7)
 - *Contratos de trabajadores minusválidos*
Contracts for disabled workers (ESP-v.8)
 - *Contratos de mujeres en oficios que se encuentran subrepresentados*
Hiring women in occupation where they are under-represented (ESP-v.9)
- * Employment promotion in the public sector
 - *Convenios INEM-Administraciones Publicas*
INEM-public administration accords (ESP-v.10)
 - *Plan de empleo rural*
Rural employment plan (ESP-v.11)
 - *Trabajos de colaboración social*
Works of social utility (ESP-v.12)
- * Support measures for job creation
 - *Capitalización de prestaciones por desempleo*
Capitalising unemployment benefits (ESP-v.13)
 - *Promoción del empleo autónomo*
Promoting self-employment (ESP-v.14)
 - *Promoción del empleo en cooperativas y sociedades laborales*
Employment promotion in cooperatives and workers' companies (ESP-v.15)
 - *Promoción de iniciativas locales de empleo*
Promotion of local employment initiatives (ESP-v.16)
 - *Integración laboral del minusválido*
Integrating the disabled (ESP-v.17)
 - *Otros (incentivos fiscales)*
Others (fiscal incentives) (ESP-v.18)

Measures for employment promotion in the private sector
without financial incentives

ESP-V.1

CONTRATOS DE DURACION DETERMINADA EN ACTIVIDADES DE NATURALEZA

Fixed term employment contracts temporary activities

Aim

To hire young persons for a limited duration for activities which justify an employment contract being limited in time.

Legal basis

- * Law 8/1980 of 10.03.80 on the Workers' Statute (Art. 15)
- * Royal decree 2104/1984 of 21.11.84

Contents

It would appear that this type of contract is likely to remain permanently on the statute book relating to work. The following types of contract are covered:

- * *Contrato para obra o servicio*: to carry out a specified task;
- * *contrato eventual*: casual employment contracts determined by production requirements;
- * *contrato de trabajo de interinidad*: temporary employment contracts;
- * *contrato para el lanzamiento de una nueva actividad*: new launch (fixed term) contracts.

Institutional support

INEM

Effects

During the period from 1984 to 1987, 3,600,392 contracts were signed for work or services, 2,511,667 casual work contracts, 612,676 temporary work contracts and 116,236 new launch contracts.

Measures for employment promotion in the private sector
without financial incentives

ESP-v.2

CONTRATOS TEMPORALES COMO MEDIDA DE FOMENTO DEL EMPLEO

Temporary work contracts as an employment promotion measure

Aim

To stimulate the temporary hiring of workers.

Legal basis

- * Law 8/1980 on the Workers' Statute (Articles 15 and 17)
- * Royal decree 1989/1984 of 17.10.84

Contents

Temporary work contracts for carrying out all types of work can be concluded with unemployed workers registered at the employment office. The duration of these contracts cannot be less than 6 months, nor more than 3 years. They can be renewed up to the maximum authorised time. The contract ends on the expiry of the period, through notice given by one or other party, the worker having the right to compensation corresponding to 12 days of wages per year of service.

Specific clauses cover the area of applying the law in order to avoid temporary workers taking the place of permanent workers and fixed term contracts not being replaced by a series of temporary contracts.

Institutional support

INEM

Effects

Between 1984 and 1987, 1,810,714 temporary employment contracts were concluded (1984 - 235,368; 1985 - 432,175; 1986 - 536,594; and 1987 668,577).

Measures for employment promotion in the private sector
without financial incentives

CONTRATOS A TIEMPO PARCIAL

ESP-v.3

Part-time contracts

Aim

To facilitate the conclusion of employment contracts when production is not required for a whole day or when workers cannot work full time.

Legal basis

- * Law 32/1984 of 2.08.84
- * Royal decree 199/1984 of 31.10.84

Contents

- * The number of hours worked per day or per week or the number of days a week or per month must be less than two thirds of the usual number worked.
- * The contract can be open-ended or fixed term.
- * Social security contributions are proportional to the wages received for the hours or days really worked.

Institutional support

INEM

Effects

Between 1984 and 1987 567,865 part time contracts were concluded divided up as follows: in 1984 - 47,665; in 1985 - 121,905; in 1986 - 177,449; and in 1987 - 220,864.

Measures for employment promotion in the private sector
with financial incentives

ESP-v.4

CONTRATOS EN PRACTICAS
Practical work contracts

Aim

To foster the employment of skilled persons by offering them paid work enabling them to improve and apply their knowledge and providing them with the opportunity of acquiring vocational practice in line with their studies.

Legal basis

- * Law 8/1980 of 10.03.80 on the workers' statute (Art. 11)
- * Royal decree 1992/1984 of 31.10.84

Contents

The contract is concluded between an employer and any person with a recognised diploma of the general or vocational training system in exchange for paid work corresponding to the level of the person's studies. The contract must be concluded in the four years following the completion of studies for a duration which is not less than 3 months and not more than 3 years. It can be renewed within the limits of the maximum authorised duration.

Enterprises which sign such contracts have the right to a 75% reduction in their employer contributions to the general system of social security.

Furthermore, the Order of 22.01.88 concerning the *FIPPlan* opens up the possibility of grants amounting to Ptas 280,000 maximum when *contratos en practicas* are concluded with specified categories of workers: the unemployed with a second degree vocational training diploma or the equivalent who are looking for their first job and have been registered as unemployed for at least two years.

Institutional support
INEM

Effects

During the period from January 1984 to October 1987 there were 256,811 practical work contracts spread as follows:

1984 -	14 002
1985 -	51 766
1986 -	86 676
1987 (January-October) -	104 367

Measures for employment promotion in the private sector
with financial incentives

ESP-v.5

CONTRATOS PARA LA FORMACION

Training contracts

Aim

To foster the employment of young people and the disabled by the combination of a paid activity and unpaid vocational training.

Contents

- * Law 8/1980 on the workers' statute (Art. 11)
- * Royal decree 1992/1984 of 31.10.84

Contents

Such a contract can be concluded between an employer and workers aged more than 16 years and less than 20 years or with any disabled person, irrespective of age. It specifies, on the one hand, the performance of work paid in proportion to the number of hours actually worked and, on the other, training which will enable the person to carry out the trade.

The duration of this type of contract cannot be less than 3 months nor more than 3 years, including any possible renewals. Working time is divided between teaching and real work so that the time devoted to teaching cannot be less than one quarter nor more than one half of the time specified in the contract. The enterprise which hires a worker full-time for his/her training receives a 100% or 90% exemption from social security contributions according to whether the enterprise employs less than 25 workers or more. Furthermore, the *FIPPlan* lays down a grant of Ptas 90 per worker per hour of training during the day.

Institutional support

INEM

Effects

In the course of the period between 1984 and 1987, 519,490 training contracts were signed:

1984 -	27 410
1985 -	112 736
1986 -	161 121
1987 -	218,229

Measures for employment promotion in the private sector
with financial incentives

ESP-v.6

CONTRATOS POR TIEMPO INDEFINIDO DE TRABAJADORES JOVENES Y DE OTROS COLECTIVOS
Open-ended contracts for young people and other groups

Aim

To promote the hiring of young people of less than 26 years of age and other groups by means of open-ended contracts.

Legal basis

- * Law 8/1980 of 10.03.80 on the Worker's Statute (art 17.3)
- * Royal decree 799/1985 of 25.05.85

Contents

Such a full-time contract can be concluded between an employer and young unemployed persons of less than 26 years of age, or with workers hired under a practical work contract or a training contract or a fixed term contract which has expired but can be converted into an open-ended contract, or young workers who become members of a cooperative.

Enterprises which subscribe to this type of contract receive a reduction in the employers' social security charges, the contribution rate being 12% for the total duration of the contract (currently the rate of the employer's contribution for current risks is 24%).

Institutional support

INEM

Effects

Since the coming into force of this scheme in June 1985 and December 1987, 278,737 such contracts were registered:

1985	55,785
1986	104,430
1987	118,522

Measures for employment promotion in the private sector
with financial incentives

ESP-v.7

CONTRATOS PARA TRABAJADORES MAYORES DE 45 AÑOS

Contracts for workers aged over-45 years

Aim

To promote open-ended duration hirings of workers aged more than 45 years registered as unemployed for more than one year.

Legal basis

- * Law 8/1984 on the Workers' Statute (art 17.3)
- * Royal decree 3.239/1983 of 28.12.83
- * Order of 9.02.84
- * Royal decree 799/1985 of 25.05.85

Contents

Enterprises and cooperatives which conclude a contract of this type are given a grant of Ptas 400,000 for every worker taken on and a 12% reduction of employers' social security contributions for the entire duration of the contract.

Institutional support

INEM

Effects

31,670 contracts were signed between 1984 and 1986:

1984	5,234
1985	6,398
1986	9,503
1987	10,535

Measures for employment promotion in the private sector
with financial incentives

ESP-v.8

CONTRATOS PARA TRABAJADORES MINUSVALIDOS

Contracts for disabled workers

Aim

To promote the integration into enterprises and cooperatives of disabled workers through full-time and open-ended employment contracts.

Legal basis

- * Law 13/1982 of 7.04.82 on the social integration of disabled workers (Chapter VII)
- * Royal decree 1451/1983 of 11.05.83

Contents

A grant of Ptas 500 000 is given for every disabled worker hired as well as a 70% or 90% reduction of employers' social security contributions according to whether the disabled worker is aged less or more than 45 years.

Institutional support

INEM

Effects

From 1984 to 1987, 11,056 employment contracts were signed with disabled workers:

1984	1,651
1985	2,181
1986	3,755
1987	3,469

Measures for employment promotion in the private sector
with financial incentives

ESP-v.9

CONTRATOS DE MUJERES EN OFICIOS QUE SE ENCUENTRAN SUBREPRESENTADOS

Hiring women in occupations where they are under-represented

Aim

To promote the hiring by open-ended employment contracts, at the same time as increasing the net number of persons employed, of women aged more than 25 years who have been unemployed for more than one year. Hiring should be for activities or functions in which the female population is under-represented.

Legal basis

- * Law 8/1980 on the Worker's Statute (Art 17.3)
- * Ministerial Order of 21.02.86

Contents

For any hiring of this sort, a grant is given which can amount to Ptas 500,000.

Institutional support

Financing is mixed: MTSS - the Ministry of Labour and Social Security and the European Social Fund. It is managed to MTSS.

Effects

In 1986 557 such contracts were concluded in sectors and trades in which women were under-represented.

Employment Promotion in the Public Sector

ESP-v.10

CONVENIONES INEM-ADMINISTRACIONES PUBLICAS

INEM-public administration accords

Aim

To enable unemployed workers registered at the employment offices to carry out works or services of public interest by means of collaboration between *INEM*, on the one hand, and local associations, autonomous communities and other public administration bodies, on the other.

Legal basis

- * Ministerial decrees of 21.02.85
- * Decree of 21.02.85 (additional regulation 2a)

Contents

Works and services of general and social interest carried out are subsidised by *INEM* from between 40% to 75% of the overall wage costs and, exceptionally, up to 100% of the cost of the unemployed manpower.

Institutional support

INEM

Effects

This scheme has been growing in scale since 1984 with the following contracts registered:

1984 -	100 559
1985 -	270 181
1986 -	309 307
1987 -	292,889

Most of the work is undertaken in the second half of the year, after the signing of the accords.

Employment Promotion in the Public Sector

ESP-v.11

PLAN DE EMPLEO RURAL

Rural employment plan

Aim

To provide certain unemployed casual agricultural workers with unskilled temporary work. These unemployed workers must be registered at the employment offices of the autonomous communities of Andalusia and Extremadura.

Legal basis

* Royal Decree 1680/1987 of 30.12.87

Contents

For public projects which are to be carried out in a rural environment, the wages paid to the workers are, as a minimum, those set by the collective agreement in force which applies to them.

Institutional support

Mixed: credit for financing investment projects of the State are covered by the general budget of the State; credit for financing other projects is provided by the autonomous regions of Andalusia and Extremadura; and there are *INEM* credits.

Effects

Between 1984 and 1987, total investments approved amounted to:

1984 -	44,092
1985 -	43,443
1986 -	59,140
1987 -	68,111

Employment Promotion in the Public Sector

ESP-v.12

TRABAJOS DE COLABORACION SOCIAL

Works of social utility

Aim

To have unemployed workers in receipt of benefit carry out, compulsorily, temporary works of social utility.

Legal basis

- * Law 31/1984 of 2.08.84 on protection from unemployment (Art 10)
- * Royal Decree 1445/1982 of 25.06.82 modified by
- * Royal Decree 1809/1986 of 28.06.86

Contents

The worker continues to receive his/her unemployment benefit or unemployment assistance, while the public administration which employs him/her pays the difference between the amount of the benefit and the scale used to determine the contribution to the contributory system, thereby guaranteeing the minimum national (interprofessional) wage in operation.

Institutional support

INEM in cooperation with the appropriate public administration.

Effects

This scheme has enabled 52,636 workers to be employed in social utility works during the period from 1984 to 1987, the annual number of contracts being:

1984	15,923
1985	14,450
1986	12,038
1987	10,225

Support Measures for Job Creation

ESP-v.13

CAPITALIZACION DE LAS PRESTACIONES POR DESEMPLEO

Capitalising unemployment benefits

Aim

To foster workers who have lost their jobs to become self-employed by helping them set up on their own or become a member of a working cooperative or a workers' company.

Legal basis

- * Law 31/1984 on protection from unemployment (Art 23)
- * Royal Decree 1044/1985 of 19.06.85

Contents

Beneficiaries receive the following advantages:

- * Receipt in a lump sum of the amount of unemployment insurance to which they are entitled.
- * Reduction in the social security contribution (50% in the case of workers enrolled in the system of self-employed workers and 100% for those belonging to the general system).
- * This scheme is compatible with other aids seeking to promote employment.

Institutional support

INEM

Effects

Between the start-up of this law until July 1987, 115,290 had drawn on this system of capitalising benefits. This means that the sums capitalised amounted to Ptas 112 068.6 million during the period in question.

Support Measures for Job Creation

ESP-v.14

PROMOCION DEL EMPLEO AUTONOMO

Promoting self-employment

Aim

To promote and contribute towards the financing of projects which facilitate unemployed persons registered at employment offices to set up on their own.

Legal basis

- * Ministerial Order of 21.02.86 (Articles 10 & 11)

Contents

- * Grants for reducing the interest rates on credit for fixed capital investments.
- * Grants of up to 100% of the costs for technical assistance and training.
- * Grants for subsistence income of up to Ptas 500,000.

Financial support

Mixed: MTSS, Ministry of Labour and Social Security, and the European Social Fund.

Effects

4,054 self-employed workers benefited from this measure in 1986.

Support Measures for Job Creation

ESP-v. 15

PROMOCIÓN DEL EMPLEO EN COOPERATIVAS Y SOCIEDADES LABORALES

Employment promotion in cooperatives and workers' companies

The measures in this programme for helping employment creation are the same as those for helping to maintain employment in cooperatives. To these are added a grant which can amount to Ptas 500,000 per associated worker as subsistence income (cfr ESP-ii.3).

Support Measures for Job Creation

ESP-v. 16

PROMOCIÓN DE INICIATIVAS LOCALES DE EMPLEO

Promotion of local employment initiatives

Aim

To promote, launch and finance local initiatives having the following characteristics:

Creating permanent employment through the establishment of small and medium sized enterprises which intend to draw on unused resources in the area in which they are being established. Actions should be innovatory and stimulating as regards the local economy and employment. The participation and co-financing of municipal, provincial and Autonomous authorities should be available.

Legal basis

- * Ministerial Order of 21.02.86 (Art 10 and 11)

Contents

- * Grants to reduce the interest rate on credits for investments in fixed assets
- * Grants of up to Ptas 500,000 for every worker taken on under an indefinite employment contract
- * Grants for hiring development agents or employment promoters.

Financial resources

Mixed: MTSS and the European Social Fund

Effects

1,849 workers drew on this measure in 1986.

Support Measures for Job Creation

ESP-v.17

INTEGRACIÓN LABORAL DEL MINUSVALIDO

Integrating the disabled

Aim

To finance initiatives generating employment, if possible permanent jobs, for the disabled who are unemployed. This is done either by the creation or the enlargement of special employment centres or by self-employed workers setting up their own business.

Legal basis

* Ministerial Order of 21.02.86 (Art 16, 17 and 18)

Contents

The aids obtainable by the special employment centres are set out in ESP-ii.4.

The aids which are available to those wishing to become self-employed are:

- * partial grant towards interest on investment loans
- * grant up to Ptas 400,000 for investment in fixed assets

Financial resources

Mixed: *MTSS* and the European Social Fund

Institutional support

MTSS

Effects

In 1986 15,872 disabled workers were able to benefit from this measure.

Support Measures for Job Creation

ESP-v.18

OTRAS (INCENTIVOS FISCALES)

Other (fiscal incentives)

Aim

To promote net employment increase through reducing corporate or professional taxes

Legal basis

* Law 33/1987 of 23.12.87 on the 1988 general State budget.

Contents

A deduction can be made of Ptas 500,000 on the taxable income of companies or individuals for each additional person employed on average during the year.

6. MEASURES FOR SPECIAL CATEGORIES OF PEOPLE

- | | |
|-------------------------|----------|
| 1. Young persons | ESP-vi.1 |
| 2. Women | ESP-vi.2 |
| 3. The disabled | ESP-vi.3 |
| 4. Long term unemployed | ESP-vi.4 |

*

Young Persons

ESP-vi.1

Aim

To lay down a framework of adequate measures enabling and stimulating employers to hire workers of less than 26 years of age, this being the group experiencing the highest rate of unemployment by reducing employers' social security contributions.

Legal basis

- * Royal decree 1992/1984 of 31.10.84
- * Royal decree 799/1985 of 25.05.85
- * Order of 22.01.88

Contents

This support is provided by means of the following programmes:

- * Aids (reduction in social security contributions and grants) for hiring for the practical and training contracts (cfr ESP-iv.4 and ESP-iv.5)
- * Aids for hiring by open-ended employment contracts (cfr ESP-iv.6)

Institutional support

INEM

Women

ESP-v1.2.

Aim

To encourage, by means of grant-aiding jobs, the hiring of women in trades and professions where they are under-represented.

Legal basis

* Order of 21.02.86

Contents

Hiring women in trades where they are under-represented (cfr ESP-v.9)

Financial support

MTSS, Ministry of Labour and Social Security and the European Social Fund

Institutional support

MTSS

The disabled

ESP-vi.3.

Aim

To promote the employment and integration into working life of workers declared to be disabled.

Legal basis

- * Law 13/1982 of 7.04.82 on the social integration of the handicapped
- * Royal decree 1451/1983 of 11.05.83
- * Order of 21.02.86

Contents

The following incentives are laid down:

- * Grants for work stations
- * Reductions in employers' social security contributions

The programme consists of the following measures:

- * Aids to hiring disabled workers on the normal labour market (cfr ESP-v.8)
- * Aids to employing the disabled in special centres (sheltered workshops - cfr ESP-ii.4)
- * Aids to promoting the self-employment of handicapped workers (cfr ESP-v.17)
- * Jobs reserved for the disabled:
Public and private enterprises employing more than 50 permanent workers are required to employ a specified number of disabled workers (not less than 2% of their total employment) registered at the employment office.
- * Selective employment:
Enterprises are required to re-employ their workers declared to be in a state of permanent disability, complete or absolute, on their recovery.

Institutional support

MTSS, Ministry of Labour and Social Security

The Long Term Unemployed

ESP-v1.4.

Aim

To promote the employment of workers registered as jobseekers at the employment office for more than one year.

Legal basis

- * Royal decree 3239/1983 of 28.12.83
- * Ministerial Orders of 21.02.85
- * Ministerial Order of 21.02.86
- * Order of 9.02.87.

Contents

The following aids can be paid:

- * Grants for work stations
- * Reductions in employers' social security contributions
- * Grants-in-aid
- * Technical assistance grants

The programme consists of the following measures:

- * Hiring LTUs under 45 years of age under open-ended employment contracts (cfr ESP-v.7)
- * Support for employment in cooperatives and workers' companies (cfr ESP-v.15)
- * Aids to promoting the self-employment (cfr ESP-v.14)
- * Promotion of local employment initiatives (cfr ESP-v.16)
- * Hiring women in occupations where they are under-represented (cfr ESP-v.9)
- * Priority for LTUs in the contracts stemming from agreements between INEM and public administrations (cfr ESP-v.10)
- * Wage contributions for new practical traineeship contracts (cfr ESP-v.4)

Institutional support

MTSS, Ministry of Labour and Social Security

Effects

In the course of 1985 and 1986, 611,334 LTUs benefited from these measures. The number of beneficiaries in 1987 is estimated to be 356,800.

7. MEASURES ON WORKING TIME

Measures regulating working time

- *Regulación de la jornada, horas extraordinarias y tiempo de descanso*
Regulations concerning the length of working time, overtime and leave (ESP-vii.1)
- *Contrato a tiempo parcial*
Part-time contracts cfr (ESP-v.3)

Early retirement

- *Jubilación anticipada mediante sustitución por otro trabajador*
Early retirement with replacement by another worker (ESP-vii.2)
- *Contratos de relevo*
"Take-over" contracts (ESP-vii.3)

REGULACION DE LA JORNADA, HORAS EXTRAORDINARIAS Y TIEMPO DE DESCANSO

Regulations concerning the length of working time, overtime and leave

Aim

Drafting social policy based on solidarity with the aim of promoting employment

Legal basis

- * Law 8/1980 of 10.03.80 on the Workers' Statute
- * Law 4/1983 of 29.06.83
- * Royal decree 2001/1983 of 28.07.83.
- * Royal decree law 1/1986 of 14.03.86

Contents

Length of **working time** is agreed to by collective agreement or by employment contract, with the maximum length of working time being set by law at 40 hours a week. The government can decree an extension or reduction of the length of working time.

Overtime must, as a rule, not exceed 80 hours a year. The government can remove or reduce the number of hours overtime for a specified period in order to increase the placement possibilities for workers who have been forced into unemployment.

The length of annual **paid leave** is that agreed to by collective agreement or individual contract, but can in no case be less than 30 calendar days a year.

ESP-vii.2

JUBILACION ANTICIPADA MEDIANTE SUSTITUCION POR OTRO TRABAJADOR

Early retirement with replacement by another worker

Aim

To encourage the hiring of unemployed workers who replace workers who retire early at 64 years of age with no decrease in their pension.

Legal basis

- * Law 32/1984 of 2.08.84
- * Royal decree 1194/1985 of 17.07.85

Contents

The minimum age of full retirement has been lowered to 64 years for workers whom the enterprise agrees to replace immediately by workers registered as unemployed. These unemployed workers can be hired under any type of employment contract except those of part-time or casual work.

If the contract is open-ended with young people aged less than 26 years or if a fixed term contract is transformed into an open-ended contract, the employers' social security contribution is brought down to a rate of 12%.

Institutional support

INEM

Effects

2,781 contracts were concluded in the period between January 1984 and October 1987.

CONTRATOS DE RELEVO

Relief contracts

Aim

To promote the employment of unemployed workers who replace workers who take partial retirement.

Legal basis

- * Law 32/1984 of 2.08.84
- * Royal decree 1991/1984 of 31.10.84

Contents

The relief contract is concluded with workers on the unemployment register to take over the part of the time made available by workers who part retire, with whom a part-time employment contract is concluded at the same time.

The social security contribution is proportional to the wage received for the hours and the days for which work is actually carried out. If, at its conclusions, the relief contract is transformed into a full-time open-ended contract, the share of the employers' social security contribution is reduced to a rate of 12% during the duration of the contract.

Financial and institutional support

INEM

Effects

4,159 relief contracts were concluded in the period from January 1984 to October 1987.

8. PLACEMENT MEASURES

- *Gestión de la colocación, orientación y readaptación*
Managing placement and vocational guidance and readaptation (ESP-viii.1)
- *Ayudas a la movilidad geográfica*
Aid to geographical mobility (ESP-viii.2)

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GESTIÓN DE LA COLOCACIÓN, ORIENTACIÓN Y READAPTACIÓN

Managing placement and vocational guidance and readaptation

Aim

To offer workers suitable work and provide employers with the manpower necessary for the proper working of their production facilities.

Legal basis

- * Law 8/1980 of 10.03.80 on the Workers' Statute (Art 16)
- * Law 51/1980 of 8.10.80
- * Basic Law on Employment

Contents

Placement policy is based on the fundamental principles of the reciprocity of rights and duties, exclusiveness and equality of opportunities and treatment.

Its purpose is to:

- * promote the appointment of workers to activities corresponding to their skills;
- * match labour supply and demand;
- * make the labour market as transparent as possible;
- * contribute to the design of programmes to achieve the highest level of employment possible;
- * promote the occupational mobility of workers by bringing in reconversion, qualifying and development plans;
- * participate in preparing practical vocational training programmes;
- * bring out statistics on the employment and unemployment situation; and
- * contribute to workers' vocational information, guidance, skills and classification.

Institutional support

Managing placement, guidance and vocational classifications is entrusted to *INEM*, the national employment institute. It provides its services free-of-charge as a public national service.

AYUDAS A LA MOBILIDAD GEOGRAFICA

Aids to geographical mobility

Aim

To facilitate the movement of workers registered at the employment office and their families from their usual place of residence to another location within the country in order to take up employment.

Legal basis

* Ministerial order of 28.02.86

Contents

The programme comprises the following financial and social aids:

* reimbursement of removals' expenses of the workers and the granting of an allowance of Ptas 1,700 per day spent in removing;

* contribution to the removals' expenses of members of the family, travel, removals of personal effects and furniture for a maximum amount of Ptas 135,000 or 175,000 depending on whether the removals take place on the mainland or between one island and another;

* social aids, housing workers and their families, crèches, health aid and vocational training.

Institutional support

MTSS, Ministry of Labour and Social Security. Directorate General of the Spanish Institute of Emigration.

Chapter IV: INFORMATION and RESEARCH

1. Statistical sources on employment and unemployment

There are two official bodies which periodically draw up statistics on employment and unemployment: *INE*, the national statistical institute; and *MTSS*, the ministry of labour and social security (the directorate general for informatics and statistics and *INEM*).

1.1. *INE* - the national statistical institute

INE was set up by the law of 31.12.45 as a general directorate of the ministry of economics and finance. Since 1964 it has been carrying out *EPA*, the survey of the working population. This survey used to be carried out at varying intervals, but has been quarterly since the third quarter of 1975.

EPA shows the structure and development of the labour market. This is done by means of a quarterly survey of a sample of 60,000 households obtained on the basis of the last census, with one sixth of the households being renewed each quarter. By means of a questionnaire information is obtained on the personal characteristics of the members of the household and a set of variables concerning the economic activity of all persons of working age which make up the household. The survey provides information on the working and non-working population, including unemployment, according to sex, age brackets, civilian status, studies, economic sectors, occupational situation, the duration and methods of job search and the previous position. Information is provided for the whole of the country, by province and by autonomous community. Homogeneous statistical data are available from 1976 through to 1987.

Since its introduction, *EPA* has undergone five methodological changes. The last was in the second quarter of 1987. It now consists of a more extensive and complex questionnaire with new definitions adapted to *Eurostat* and the XIII International Conference of Labour Statisticians of the *ILO*. This reform brings in additional information which is more complete and broken down according to the type of employment contract (open-ended or fixed period), the length of work (full-time or part-time). It provides information on the under-employed population and on those in receipt of unemployment benefit or other allowances, or not.

In addition to *EPA*, *INE* prepares other statistics on the labour market. They are carried out at regular intervals:

- * the population census every ten years;
- * the municipal census of inhabitants every five years;
- * the wages' survey every month since 1963. Its aim is to estimate the average real hourly wage by industry and by occupational group;
- * the quarterly conjunctural bulletin every three months; and
- * the statistical yearbook of Spain. This yearbook brings together statistics on demography, work, social security and social action.

1.2. MTSS - the Ministry of Labour and Social Security

MTSS's work in managing, designing and coordinating statistics is entrusted to the directorate general of informatics and statistics. This directorate prepares a statistical series dealing with the labour market and labour relations. The information comes in the main from its own data. Other statistics on employment, unemployment and vocational training are also produced based on the data provided by *INEM*.

INEM prepares monthly employment statistics on the basis of flows on and off the labour market as registered in the employment offices. These statistics cover the number of registered unemployed, the number of jobseekers and job vacancies, placements registered and the number of employment contracts signed and the results by province of employment promotion policy, as well as the numbers of registered unemployed persons. The data are broken down according to sex, age, level of studies, economic activity and occupation. They are provided for the whole of the country as well as by province and by autonomous community.

In addition to employment statistics, *INEM* also draws up monthly statistics on vocational training at work. These statistics cover data on courses according to the phases, the students on each programme, trainees by age, sex, working situation and programmes followed by autonomous region and by province.

At the same time as these statistics, *MTSS* regularly publishes statistical series on economic activity, employment, unemployment and industrial relations.

* The monthly labour statistics bulletin summarises all the statistics of the *MTSS* as well as other statistics dealing with the world of work. It consists of four sections: that on employment summarises the registered flows on to and off the labour market based on the *EPA*, measures for regulating employment, work permits delivered to foreigners, cooperatives created and the limited liability work companies registered. The remainder provides statistical information on industrial relations and collective bargaining, social security and other data (wages, consumer prices indices, etc.).

* The Yearbook of labour statistics has three sections: employment and emigration, industrial relations and social protection.

* Statistics on collective agreements is a quarterly publication.

* Statistics on employment regulations, also a quarterly publication.

* Statistics on work permits delivered to foreigners appears twice yearly.

* Summary of the main statistical data (overall budget of the social security) appears monthly. It brings together data on numbers in membership and contributing to the social security.

1.3. Other statistical sources

* Statistical bulletin is a monthly publication of the Bank of Spain. Chapters XV and XVII are devoted to social security and employment and wages.

* Survey of the economic situation of industry is a monthly publication of the Ministry of Industry and Energy. It is an opinion survey of businessmen about the economic situation and the activities of enterprises.

2. Analyses

Analyses of information on the labour market are carried out on the official level within the *MTSS* (studies on employment and the labour market division of the *DGE*, the Directorate General for Employment). *DGE* prepares a periodic report "The labour market situation". This reproduces the quarterly *EPA* data and monthly data of registered flows on the labour market. It also publishes the annual report "Labour market in Spain: Situation and programmes"; this studies the behaviour of the labour market over the year according to the development of activities, employment and unemployment and analyses, through the surveys, the results of the employment policy and vocational training at work. The aim is to study the phenomena which are difficult to grasp on the basis of statistics which are produced for labour market management.

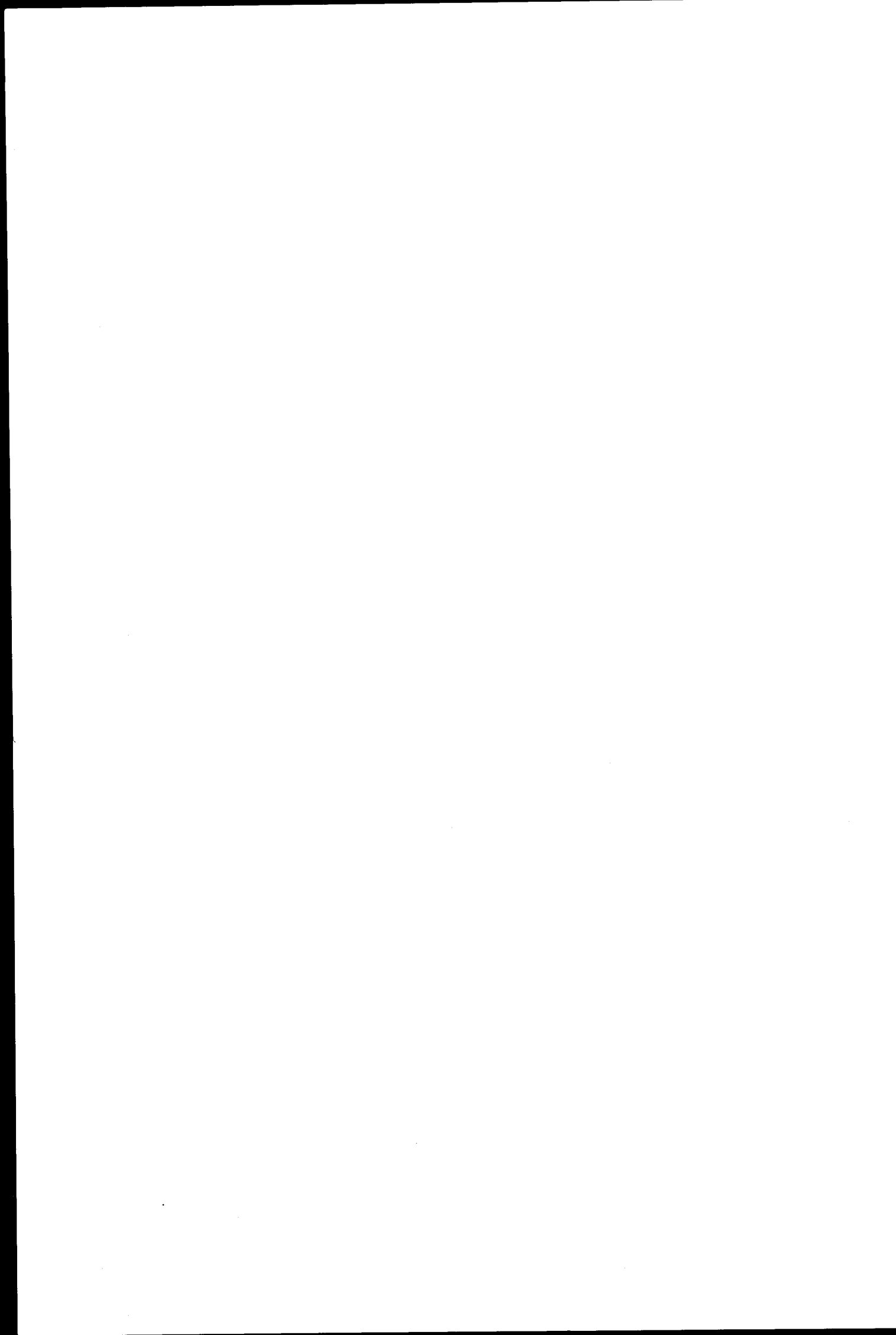
Other studies on employment are carried out by the ministry of economics and finance and published in its monthly bulletin "Monthly Summary of Economic Indicators", as well as by the Bank of Spain in its publication "Annual Information".

There are also a number of university centres and private foundations which carry out theoretical and empirical studies on economic and legal aspects of the labour market.

Furthermore, the employers' and trade union organisations make regular comments on the current situation of the labour market.

LIST OF ABBREVIATIONS

A E S	<i>Acuerdo Económico y Social</i> (Economic and Social Agreement)
C C O O	<i>Comisiones Obreras</i> (Workers Commissions - trade unions)
C E O E	<i>Confederación Española de Organizaciones Empresariales</i> (Spanish Confederation of Employers' Organisations)
C E P Y M E	<i>Confederación Española de la Pequeña y Mediana Empresa</i> (Spanish Confederation of Small and Medium-Sized Enterprises)
C J F P	<i>Consejo General de Formación Profesional</i> (General Council of Vocational Training)
E P A	<i>Encuesta de Población Activa</i> (Survey of the Working Population)
F P E	<i>Fondos de Promoción de Empleo</i> (Employment Promotion Fund)
I N E	<i>Instituto Nacional de Estadística</i> (National Statistics Institute)
I N E M	<i>Instituto Nacional de Empleo</i> (National Employment Institute)
U G T	<i>Unión General de Trabajadores</i> (General Union of Workers)
Z U R	<i>Zonas de Urgente Reindustrialización</i> (Zones of Urgent Reindustrialisation)



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